

CIRCULAR DATED 28 JUNE 2006

THIS CIRCULAR IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION.

If you are in any doubt as to the course of action you should take, you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser immediately.

If you have sold your ordinary shares, or CHESS Units of Foreign Securities relating to ordinary shares ("**CUFS**"), in the capital of Singapore Telecommunications Limited (the "**Company**"), you should immediately forward this Circular and the Proxy Form enclosed with this Circular to the purchaser or to the stockbroker or other agent through whom the sale was effected for onward transmission to the purchaser.

The Singapore Exchange Securities Trading Limited assumes no responsibility for the correctness of any statements made or opinions expressed in this Circular.



SINGAPORE TELECOMMUNICATIONS LIMITED
(INCORPORATED IN THE REPUBLIC OF SINGAPORE)
Company Registration Number: 199201624D

**CIRCULAR TO SHAREHOLDERS AND CUFS HOLDERS
IN RELATION TO**

- (1) THE PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION;**
- (2) THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE;**
- (3) THE PROPOSED APPROVAL OF THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF EXCEPTION 9 IN RULE 7.2 OF THE LISTING RULES OF AUSTRALIAN STOCK EXCHANGE LIMITED; AND**
- (4) THE PROPOSED APPROVAL FOR PARTICIPATION BY THE RELEVANT PERSON IN THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF THE LISTING RULES OF AUSTRALIAN STOCK EXCHANGE LIMITED**

IMPORTANT DATES AND TIMES:

Last date and time for lodgement of Proxy Form	:	26 July 2006 at 3.30 pm
Date and time of Extraordinary General Meeting	:	28 July 2006 at 3.30 pm (or so soon thereafter following the conclusion or adjournment of the 14th Annual General Meeting of the Company to be held at 3.00 pm on the same day and at the same place)
Place of Extraordinary General Meeting	:	NTUC Auditorium One Marina Boulevard Level 7, NTUC Centre Singapore 018989

Contents

	Page
DEFINITIONS	3
LETTER TO SHAREHOLDERS AND CUFS HOLDERS	5
1. Introduction	5
2. The Proposed Alterations to the Articles of Association	5
3. The Proposed Renewal of the Share Purchase Mandate	12
4. The Proposed Approval of the SingTel Performance Share Plan for the purposes of Exception 9 in Rule 7.2 of the Listing Rules of Australian Stock Exchange Limited	21
5. The Proposed Approval for Participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the Listing Rules of Australian Stock Exchange Limited	22
6. Directors' and Substantial Shareholder's Interests	23
7. Directors' Recommendations	24
8. Extraordinary General Meeting	25
9. Action to be taken by Shareholders and CUFS Holders	25
10. Inspection of Documents	25
11. Directors' Responsibility Statement	25
APPENDIX A The Proposed Alterations to the Articles of Association	26
APPENDIX B Summary of Principal Rules of the SingTel Performance Share Plan	51
NOTICE OF EXTRAORDINARY GENERAL MEETING	54

Definitions

In this Circular, the following definitions apply throughout unless otherwise stated:

"Articles"	:	The Articles of Association of the Company.
"ASX"	:	Australian Stock Exchange Limited.
"ASX Associate"	:	An associate of a Director for the purposes of the ASX Listing Rules as described in paragraph 5.1 of the Letter to Shareholders and CUFS Holders contained in this Circular.
"CDP"	:	The Central Depository (Pte) Limited.
"2005 Circular"	:	The Company's Circular to Shareholders and CUFS Holders dated 29 June 2005.
"Companies Act"	:	The Companies Act, Chapter 50 of Singapore.
"Companies (Amendment) Act"	:	The Companies (Amendment) Act 2005 of Singapore.
"Company"	:	Singapore Telecommunications Limited.
"CUFS"	:	CHESS Units of Foreign Securities relating to Shares.
"CUFS Holders"	:	Holders of CUFS.
"Directors"	:	The directors of the Company for the time being.
"EGM"	:	The extraordinary general meeting of the Company, notice of which is given on pages 54 to 56 of this Circular.
"2005 EGM"	:	The extraordinary general meeting of the Company held on 29 July 2005.
"Group"	:	The Company and its subsidiaries.
"Latest Practicable Date"	:	The latest practicable date prior to the printing of this Circular, being 30 April 2006.
"Market Day"	:	A day on which the SGX-ST is open for trading in securities.
"Market Purchase"	:	An on-market purchase of Shares by the Company effected on the SGX-ST, or on any other stock exchange on which the Shares may for the time being be listed and quoted, through one or more duly licensed dealers appointed by the Company for the purpose.
"Maximum Price"	:	The maximum price to be paid for the Shares as determined by the Directors under paragraph 3.3.4 of the Letter to Shareholders and CUFS Holders contained in this Circular.
"Off-Market Purchase"	:	An off-market purchase of Shares by the Company effected otherwise than on a stock exchange, in accordance with an equal access scheme.
"Relevant Period"	:	The period from the date of the 14th Annual General Meeting of the Company until the date of the 15th Annual General Meeting of the Company or the date falling 12 months after the date of the 14th Annual General Meeting of the Company, whichever is the earlier.

Definitions

“Relevant Person”	:	The person named in paragraph 5.2.1 of the Letter to Shareholders and CUFS Holders contained in this Circular in relation to whom approval to participate in the SingTel Performance Share Plan in the Relevant Period is being sought.
“SGX Listing Manual”	:	The listing manual of the SGX-ST, including any amendments made thereto up to the Latest Practicable Date.
“SGX-ST”	:	Singapore Exchange Securities Trading Limited.
“Share Purchase Mandate”	:	The mandate to enable the Company to purchase or otherwise acquire its issued Shares.
“Shareholders”	:	Registered holders of Shares except that where the registered holder is CDP, the term “Shareholders” shall, in relation to such Shares and where the context admits, mean the Depositors whose securities accounts are credited with Shares.
“Shareholding Limit”	:	The limit of 15% of the issued Shares prescribed by the Articles in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest.
“Shares”	:	Ordinary shares in the capital of the Company.
“SingTel Performance Share Plan”	:	The SingTel Performance Share Plan adopted by Shareholders at an extraordinary general meeting of the Company held on 29 August 2003.
“Take-over Code”	:	The Singapore Code on Take-overs and Mergers.
“Temasek”	:	Temasek (Holdings) Private Limited.
“S\$”, “\$” and “cents”	:	Singapore dollars and cents, respectively.
“%” or “per cent”	:	Per centum or percentage.

The terms **“Depositor”**, **“Depository”** and **“Depository Register”** shall have the meanings ascribed to them respectively in Section 130A of the Companies Act.

Words importing the singular shall, where applicable, include the plural and *vice versa*. Words importing the masculine gender shall, where applicable, include the feminine and neuter genders. References to persons shall include corporations.

Any reference in this Circular to any enactment is a reference to that enactment as for the time being amended or re-enacted. Any word defined under the Companies Act or any statutory modification thereof and not otherwise defined in this Circular shall have the same meaning assigned to it under the Companies Act or any statutory modification thereof, as the case may be.

The headings in this Circular are inserted for convenience only and shall be ignored in construing this Circular.

Any reference to a time of day in this Circular is made by reference to Singapore time unless otherwise stated.

Any discrepancies in the tables in this Circular between the listed amounts and the totals thereof are due to rounding.

Letter to Shareholders and CUFS Holders

SINGAPORE TELECOMMUNICATIONS LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

Company Registration Number: 199201624D

Directors:

Chumpol NaLamlieng
Lee Hsien Yang
Graham John Bradley
Paul Chan Kwai Wah
Heng Swee Keat
Simon Israel
Professor Tommy Koh
John Powell Morschel
Deepak S Parekh
Jackson Peter Tai
Nicky Tan Ng Kuang

Registered Office:

31 Exeter Road
Comcentre
Singapore 239732

28 June 2006

To: The Shareholders and CUFS Holders of
Singapore Telecommunications Limited

Dear Sir/Madam

1. INTRODUCTION

1.1 EGM. The Directors are convening an EGM to be held on 28 July 2006 to seek Shareholders' approval for the following proposals:

- (a) the proposed alterations to the Articles;
- (b) the proposed renewal of the Share Purchase Mandate;
- (c) the proposed approval of the SingTel Performance Share Plan for the purposes of Exception 9 in Rule 7.2 of the Listing Rules of ASX; and
- (d) the proposed approval for participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the Listing Rules of ASX.

1.2 Circular. The purpose of this Circular is to provide Shareholders and CUFS Holders with information relating to the proposals to be tabled at the EGM.

2. THE PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION

2.1 The Companies (Amendment) Act. The Companies (Amendment) Act, which came into operation on 30 January 2006, introduced key amendments to the Companies Act resulting in significant changes to the company law regime. These amendments include the abolition of the concepts of par value and authorised capital, and allowing repurchased shares to be held as treasury shares.

With the abolition of the concept of par value pursuant to the Companies (Amendment) Act, shares of a company no longer have any par or nominal value. The concepts of share premium and the issue of shares at a discount have also been abolished accordingly.

The Companies (Amendment) Act also introduced new provisions on share buy backs and treasury shares. Under these new provisions, a company can repurchase shares out of capital, as well as from distributable profits. Ordinary shares which are the subject of a share repurchase by a company can be held by that company as treasury shares instead of being cancelled. The right to attend and vote at meetings and the right to dividends or other distributions will be suspended for so long as the repurchased shares are held in treasury.

Letter to Shareholders and CUFS Holders

2.2 Alterations to the Articles. The Articles need to be altered as a result of the above changes introduced by the Companies (Amendment) Act. The Company is also taking this opportunity to streamline and rationalise certain other provisions in the Articles.

2.3 Summary of Alterations. The following is a summary of the main proposed alterations to the Articles:

2.3.1 Article 2

Article 2 is the interpretation section of the Articles, and is proposed to be altered to provide for the following:

- (a) that the expression “treasury shares” is to have the meaning ascribed to it in the Companies Act, namely, shares which were (or are treated as having been) purchased by the Company in circumstances in which Section 76H of the Companies Act applies, and have been held by the Company continuously since the treasury shares were so purchased;
- (b) that, except where otherwise expressly provided in the Articles, references in the Articles to “holders” of shares or a class of shares shall exclude the Depository or its nominee (as the case may be), and also the Company in relation to shares held by it as treasury shares; and
- (c) that references in the Articles to “member” shall, where the Companies Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.

In addition, the references to “CHESS Depository” interests in shares in the Company and “CHESS Depository Nominees Pty Ltd” in Article 2 are proposed to be altered to “CHESS Depository” interests in shares in the Company and “CHESS Depository Nominees Pty Ltd” respectively. The definition of “CDI” is also proposed to be altered so as to make it clear that “CDI” includes CHESS Units of Foreign Securities relating to Shares (CUFS).

Drafting changes are also proposed to provide that any reference in the Articles to any enactment is a reference to that enactment as for the time being amended or re-enacted, and further that the headnotes are inserted for convenience only and shall not affect the construction of the Articles.

2.3.2 Article 3

Article 3 states the authorised capital of the Company, and is proposed to be deleted following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

2.3.3 Article 4

Article 4(c) provides that no shares are to be issued at a discount except in accordance with the provisions of the relevant statutes, and is proposed to be deleted following the abolition of the concept of the issue of shares at a discount pursuant to the Companies (Amendment) Act.

Article 4 is also proposed to be re-numbered as Article 3.

2.3.4 Article 5

Article 5 provides that notwithstanding any other provision of the Articles, Temasek and/or such other person or persons approved by the Directors shall be entitled to have an interest in more than 15% of the “issued share capital” of the Company. It is proposed that the words “issued share capital” be substituted with the words “issued shares” following the abolition of the concepts of nominal or par value and authorised capital pursuant to the Companies (Amendment) Act.

Article 5 is also proposed to be re-numbered as Article 4.

2.3.5 Article 6(A)

Article 6(A) provides for the rights of preference shareholders. As required by the SGX Listing Manual, it also provides that in the event of preference shares being issued, the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares. In view of the abolition of the concept of nominal or par value, it is proposed that this provision be amended so as to provide that preference shares may be issued subject to such limitation thereof as may be prescribed by any applicable rules of the SGX-ST and other stock exchange on which the Company is listed.

Article 6 is also proposed to be re-numbered as Article 5.

Letter to Shareholders and CUFS Holders

2.3.6 New Article 6

New Article 6 on treasury shares is proposed to be inserted. This new Article will provide that the Company may not exercise any right in respect of treasury shares other than as provided by the Companies Act but that subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Companies Act.

2.3.7 Article 7

Article 7(A) provides for the consent in writing or the holding of separate general meetings of holders of different classes of shares (if the share capital of the Company is divided into different classes of shares) where their rights are proposed to be varied or abrogated by special resolution. Article 7(A) also provides that such consent must be obtained from the holders of three-quarters in nominal value of the issued shares of that class, and further that the quorum for such general meetings shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of that class and that where the necessary majority for a special resolution is not obtained at such general meeting, the consent in writing if obtained from holders of three-quarters in nominal value of the issued shares of the class concerned within two months of such general meeting shall be as valid and effectual as a special resolution carried at such general meeting. Following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act, Article 7(A) is proposed to be altered to delete references to the nominal value of the issued shares of that class.

Article 7(B) provides that the special rights attached to any class of shares having preferential rights shall not be deemed to be varied by the "creation" or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects *pari passu* therewith. Article 7(B) is proposed to be altered to delete the reference to the "creation" of further shares following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

Article 7(A) is also proposed to be re-numbered as Article 7, and Article 7(B) as Article 8.

2.3.8 Article 8

Article 8 provides that the Company may by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe, and is proposed to be deleted following the abolition of the concepts of nominal or par value and authorised capital pursuant to the Companies (Amendment) Act.

2.3.9 Article 9

Article 9(A) provides for all new shares to be offered to existing members in proportion (as nearly as possible) to the "amount" of the existing shares to which they are entitled. Article 9(A) is proposed to be altered to replace the reference to "amount" of existing shares with a reference to "number" of existing shares following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act.

Article 9(B) relates to the general share issue mandate. It provides that the Company may by Ordinary Resolution give to the Directors a general authority to issue shares and to make or grant offers, agreements or options that might or would require shares to be issued, including the creation and issue of warrants, debentures or other instruments convertible into shares, and (notwithstanding that such authority may have ceased to be in force) to issue shares in pursuance of an instrument made or granted while the authority was in force.

Article 9(B) further provides that the aggregate number of shares that may be issued pursuant to the Ordinary Resolution cannot exceed 50% of the issued share capital of the Company, of which the aggregate number of shares to be issued other than on a *pro rata* basis to shareholders does not exceed 20% of the issued share capital of the Company. For these purposes, the percentage of the issued share capital is to be based on the issued share capital of the Company at the time that the Ordinary Resolution is passed, after adjusting for (a) new shares arising upon the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that the Ordinary Resolution is passed, and (b) any subsequent consolidation or subdivision of shares.

The specific limits and manner of calculation currently contained in Article 9(B) follow the specific provisions of Rule 806 of the SGX Listing Manual. Article 9(B) is proposed to be altered to delete the references to these specific limits and manner of calculation, and to instead provide that the aggregate number of shares which may be issued pursuant to the general share issue mandate is to be subject to such limits and manner of calculation as may be prescribed by the SGX-ST.

The proposed alteration to Article 9(B) will obviate the necessity for the Company to alter its Articles as and when the relevant provisions of the SGX Listing Manual relating to the general share issue mandate are altered by the SGX-ST. Any Ordinary Resolution passed pursuant to Article 9(B), as proposed to be altered, will continue to be subject to the specific limits and manner of calculation prescribed by the SGX Listing Manual.

Letter to Shareholders and CUFS Holders

2.3.10 Article 10

Article 10 provides that the Company may by Ordinary Resolution (*inter alia*):

- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
- (b) cancel any shares which have not been taken by any person and diminish the amount of capital by the amount of the shares so cancelled; and
- (c) subdivide its shares into shares of smaller amount.

The provisions referred to in sub-paragraphs (a) and (c) above are proposed to be altered to delete the references to the “amount” of shares following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act. In addition, the reference in the relevant provision to “unissued” shares of the Company is also proposed to be deleted following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

The provision referred to in sub-paragraph (b) above is proposed to be deleted altogether following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

2.3.11 Article 11

Article 11(A) provides that the Company may reduce its share capital or capital redemption reserve fund, share premium account or other undistributable reserve as authorised by law. Article 11(A) is proposed to be altered to delete the references to the capital redemption reserve fund and the share premium account since under the Companies (Amendment) Act, any amounts standing to the credit of the Company's capital redemption reserve and share premium account become part of its share capital. Article 11(A) is proposed to be further altered to provide that upon cancellation of any share purchased or otherwise acquired by the Company, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

Article 11(B) permits the Company to purchase or otherwise acquire its issued shares and to cancel such shares purchased by it. The Companies (Amendment) Act enables the Company to either cancel ordinary shares purchased by it or to hold such ordinary shares as treasury shares. Article 11(B) is proposed to be altered to take into account such amendments.

2.3.12 Article 12

Article 12 provides that the Company shall not be compelled to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share. Article 12 is proposed to be altered to provide that the reference to the “Depository” includes a reference to “its nominee”, where applicable.

2.3.13 Article 14

Article 14 provides that, subject to the relevant provisions of the Articles and the statutes, and of any resolution of the Company in General Meeting passed pursuant thereto, all “unissued” shares shall be at the disposal of the Directors, who may allot, grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper. Article 14 is proposed to be altered to replace the reference to “unissued” shares of the Company with a reference to “new” shares of the Company, following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

2.3.14 Article 15

Article 15 provides that the Company may exercise the powers of paying commissions conferred by (*inter alia*) the Companies Act. Section 67 of the Companies Act relating to the power to pay certain commissions was repealed pursuant to the Companies (Amendment) Act. However, since the Company may nevertheless retain the power to pay commissions under the Articles, Article 15 is proposed to be altered to provide that the Company may pay commissions or brokerage on any issue of shares at such rate or amount and in such manner as the Directors may deem fit.

2.3.15 Article 17

Article 17 on share certificates provides (*inter alia*) that every share certificate must specify the number and class of shares to which it relates and the amount paid up thereon. Article 17 is proposed to be altered to provide that the amount (if any) unpaid on the shares must also be specified on the share certificate, in order to be in line with Section 123 of the Companies Act, as amended pursuant to the Companies (Amendment) Act.

Letter to Shareholders and CUFH Holders

2.3.16 Articles 19 and 21(C)

Articles 19 and 21(C) on share certificates are proposed to be altered to delete the references to stamp duty payable on share certificates since, under current law, no stamp duty is payable on share certificates.

2.3.17 Articles 22, 25 and 27

Article 22 provides that Directors may from time to time make calls on members in respect of moneys unpaid on their shares "(whether on account of the nominal value of the shares or, when permitted, by way of premium)". Article 22 is proposed to be altered to delete the words in parenthesis.

Article 25 provides that any sum "(whether on account of the nominal value of the shares or by way of premium)" which becomes payable upon allotment or at any fixed date shall, for the purposes of the Articles, be deemed to be a call duly made or payable on the date on which, by the terms of issue, it becomes payable. Article 25 is proposed to be altered to delete the words in parenthesis.

Article 27 provides that Directors may from time to time accept payment in advance from members in respect of moneys uncalled and unpaid on their shares "(whether on account of the nominal value of the shares or by way of premium)". Article 27 is proposed to be altered to delete the words in parenthesis.

The alterations to Articles 22, 25 and 27 are proposed to be made following the abolition of the concepts of nominal or par value and share premium pursuant to the Companies (Amendment) Act.

2.3.18 Article 33

Article 33 deals with (*inter alia*) the Company's lien on shares which are not fully-paid. Article 33 is proposed to be altered to provide that such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts as the Company may be called upon by law to pay in respect of the shares of the member or deceased member, in line with current requirements of the SGX Listing Manual.

2.3.19 Article 36

Article 36 provides (*inter alia*) that, where a share has been duly forfeited or surrendered or sold to satisfy a lien, a statutory declaration in writing given in conformity with this Article, and the receipt of the Company for the consideration given for such share together with the share certificate delivered to the purchaser (or where the purchaser is the Depository, to the Depository) or allottee thereof shall (subject to the execution of a transfer if required) constitute a good title to the share. Article 36 is proposed to be altered to provide that the reference to the "Depository" includes a reference to "its nominee", where applicable.

2.3.20 Article 37

Article 37 provides (*inter alia*) that, an instrument of transfer for shares in respect of which the transferee is the Depository or CHESS Depository Nominees Pty Ltd shall be effective although not signed or witnessed by or on behalf of the Depository or CHESS Depository Nominees Pty Ltd. Article 37 is proposed to be altered to provide that the references to the "Depository" include references to "its nominee", where applicable.

2.3.21 Article 40(A)

Article 40(A) provides for the circumstances under which the Directors may refuse to register any instrument of transfer. Article 40(A) is proposed to be altered to provide that the Directors may refuse to register any instrument of transfer of shares unless (*inter alia*) the amount of stamp duty with which each instrument of transfer is chargeable has been paid, that any instrument of transfer deposited for registration purposes has to be accompanied by a certificate of payment of stamp duty (if any), and to delete the references to stamp duty payable on share certificates since, under current law, no stamp duty is payable on share certificates.

Article 40(A) also permits the Directors to refuse to register any instrument of transfer unless a declaration made by the transferee is attached to such instrument stating (*inter alia*) the extent of the transferee's interest, directly or indirectly, in the "issued share capital" of the Company as at the date of the declaration. It is proposed that the words "issued share capital" be substituted with the words "issued shares" following the abolition of the concepts of nominal or par value and authorised capital pursuant to the Companies (Amendment) Act.

Letter to Shareholders and CUFS Holders

2.3.22 Article 41(A)

Article 41(A) provides (*inter alia*) that the Directors may, if it comes to their notice that the share capital in which any person or related group of persons has an interest is in excess of 15% of the “issued share capital”, serve a notice in writing requiring the holder to transfer and/or the person having an interest in the shares concerned to dispose of the interest as the Directors deem necessary. It is proposed that the words “issued share capital” be substituted with the words “issued shares” following the abolition of the concepts of nominal or par value and authorised capital pursuant to the Companies (Amendment) Act.

2.3.23 Article 43

Article 43 further permits the Directors to refuse to register any transfer of shares if (*inter alia*) such transfer would result in any person or related group of persons (other than a Permitted Person as defined in the Articles) having an interest in more than 15% of the “issued share capital” of the Company. It is proposed that the words “issued share capital” be substituted with the words “issued shares” following the abolition of the concepts of nominal or par value and authorised capital pursuant to the Companies (Amendment) Act.

2.3.24 Article 45

Article 45 provides that if the Directors refuse to register a transfer of shares, they shall within ten “market days” after the date on which the application for transfer was lodged with the Company send to the transferor and the transferee a notice in writing stating the reasons justifying the refusal to transfer and a notice of refusal as required by the relevant statutes. Article 45 is proposed to be altered to provide that the term “market day” for these purposes shall have the meaning ascribed to it in Article 19, namely, a day on which the SGX-ST is open for trading in securities.

2.3.25 Article 52

Article 52 empowers the Company by ordinary resolution to convert paid-up shares into stock and reconvert stock into paid-up shares “of any denomination”. The words “of any denomination” are proposed to be deleted following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act.

2.3.26 Articles 53 and 54

Article 53 refers to rights of holders of stock to transfer such stock, provided that no stock shall be transferable except in such units “(not being greater than the nominal amount of the shares from which the stock arose)” as the Directors may from time to time determine. Article 53 is proposed to be altered to delete the words in parenthesis, following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act.

Article 54 provides that holders of stock shall, according to the “amount of stock” held by them, have the same rights and privileges as if they held the shares from which the stock arose. A drafting change is proposed to Article 54, to replace the references to “amount of stock” with references to “number of stock units”.

2.3.27 Article 57

Article 57 relates to notices of General Meetings. It provides that notice of General Meetings is to be given to all members other than those who are not entitled to receive such notices under the provisions of the Articles. Article 57 is proposed to be altered to provide that notice of General Meetings also need not be given to members who are not entitled to receive such notices under the provisions of the Companies Act. This is to make it clear that no notice of General Meeting needs to be given to the Company where it is a member by reason of its holding of its shares as treasury shares.

Article 57 also provides (*inter alia*) that a General Meeting is deemed to have been duly called notwithstanding that shorter notice has been given if, in the case of an Extraordinary General Meeting, the agreement of a majority in number of the members holding not less than 95% in “nominal value of the shares” is obtained. Article 57 is proposed to be altered to replace the reference to “nominal value of the shares” with a reference to “total voting rights”, in order to be in line with Section 177(3)(b) of the Companies Act, as amended pursuant to the Companies (Amendment) Act.

2.3.28 Article 67

Article 67 provides that at any General Meeting, a resolution put to the vote shall be decided by a show of hands unless a poll is demanded by (*inter alia*):

- (a) not less than two members present in person or by proxy and entitled to vote; or
- (b) a member present in person or by proxy and holding shares in the Company conferring a right to vote being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right.

Letter to Shareholders and CUFs Holders

The provision in sub-paragraph (a) above is proposed to be altered to make it clear that the two members, present in person or by proxy, demanding a poll are members entitled to vote at the meeting at which the resolution is put to the vote, to be in line with Section 178(b)(i) of the Companies Act.

The provision in sub-paragraph (b) above is proposed to be altered to provide that a poll can be demanded by a member present in person or by proxy and holding not less than 10% of the total number of paid-up shares of the Company (excluding treasury shares), following the abolition of the concept of nominal or par value and the introduction of provisions on treasury shares pursuant to the Companies (Amendment) Act.

2.3.29 Article 71

Article 71 provides that subject and without prejudice to any special privileges or restrictions as to voting attached to any special class of shares, each member entitled to vote at a General Meeting may vote in person or by proxy. Article 71 is proposed to be altered to make it subject also to new Article 6, which will provide that the Company shall not exercise any right (including the right to attend and vote at General Meetings) in respect of treasury shares other than as provided by the Companies Act.

2.3.30 Article 83

Article 83 provides that, subject as provided in the Articles, the Directors shall not be less than two in number. Article 83 is proposed to be altered to further provide that all Directors of the Company shall be natural persons, in line with current requirements of the SGX Listing Manual.

2.3.31 Article 99

Article 99 provides that the Company may at a meeting at which a Director retires fill the office vacated by electing the retiring Director or some other person eligible for appointment. In default, the retiring Director is deemed to have been re-elected except in certain instances, including the instance where the Director has given notice in writing to the Company that he is unwilling to be re-elected. This provision is proposed to be altered so as to additionally provide that the retiring Director is deemed to be re-elected except where such Director is disqualified under the Companies Act from holding office as a Director.

2.3.32 Article 101

Article 101 deals with the election of persons as new Directors at a general meeting, and is proposed to be altered to clarify that the specified time-lines for a nomination notice of a person for election and the consent of the candidate of his willingness to be elected to be lodged at the registered office of the Company shall be exclusive (instead of inclusive) of the date on which the notice is given.

2.3.33 Article 104(A)

Article 104(A) permits a Director to appoint an alternate Director, and is proposed to be altered to provide that such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved, in line with current requirements of the SGX Listing Manual.

2.3.34 Article 105(B)

Article 105(B) allows Directors' meetings to be held by means of a conference telephone or similar communications equipment, and is proposed to be altered to provide that Directors participating in any such meeting shall be counted in the quorum for such meeting, and that all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. The alterations will further provide that a meeting conducted by means of a conference telephone or similar communications equipment is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one of the Directors present at the meeting was at that place for the duration of the meeting.

2.3.35 Article 116

Article 116 relates to the general power of the Directors to manage the Company's business. Drafting changes are proposed to align Article 116 with Section 157A(2) of the Companies Act (which is a new provision incorporated into the Companies Act in May 2003) which provides that the directors may exercise all the powers of a company except any power that the Companies Act or the memorandum and articles of association of the company require the company to exercise in general meeting.

2.3.36 Article 126

A drafting change is proposed to Article 126 on reserves, to provide that in carrying sums to reserve and in applying the same, the Directors shall comply with the provisions of (*inter alia*) the relevant statutes, if any.

Letter to Shareholders and CUFS Holders

2.3.37 Article 129(A)

Article 129(A) provides for the payment of dividends to be made in proportion to the amount paid in respect of the shares. Article 129(A) is proposed to be altered, following the abolition of the concept of nominal or par value pursuant to the Companies (Amendment) Act, to provide that all dividends are to be paid in proportion to the number of shares held (as opposed to according to the amounts paid on the shares). Article 129(A) (as proposed to be altered) will also provide that where shares are partly paid, all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid.

2.3.38 New Article 133

New Article 133 is proposed to be inserted. This new Article provides for the position in relation to dividends which remain unclaimed after first becoming payable.

Existing Article 133 is also proposed to be re-numbered as Article 132(C).

2.3.39 Articles 138(A) and (B)

Article 138(A) is proposed to be altered to permit the issue of bonus shares for which no consideration is payable to the Company, to delete the references to the share premium account and the capital redemption reserve fund since under the Companies (Amendment) Act, any amounts standing to the credit of the Company's share premium account and the capital redemption reserve become part of its share capital, and to replace the references to "unissued" shares of the Company with references to "new" shares of the Company, following the abolition of the concept of authorised capital pursuant to the Companies (Amendment) Act.

Consequential alterations are proposed to Article 138(B).

2.4 Appendix A. The text of the Articles which are proposed to be altered are set out in Appendix A to this Circular. The proposed alterations to the Articles are subject to Shareholders' approval.

3. THE PROPOSED RENEWAL OF THE SHARE PURCHASE MANDATE

3.1 Background. Shareholders had approved the renewal of the Share Purchase Mandate at the 2005 EGM. The rationale for, the authority and limits on, and the financial effects of, the Share Purchase Mandate were set out in the 2005 Circular and Ordinary Resolution 2 set out in the Notice of the 2005 EGM.

The Share Purchase Mandate was expressed to take effect on the date of the passing of Ordinary Resolution 2 at the 2005 EGM and will expire on the date of the forthcoming 14th Annual General Meeting to be held on 28 July 2006. Accordingly, Shareholders' approval is being sought for the renewal of the Share Purchase Mandate at the EGM, immediately following the 14th Annual General Meeting of the Company convened to be held on the same date.

3.2 Rationale for the Share Purchase Mandate. The rationale for the Company to undertake the purchase or acquisition of its Shares is as follows:

- (a) In managing the business of the Group, management strives to increase shareholders' value by improving, *inter alia*, the return on equity of the Group. Share purchases is one of the ways through which the return on equity of the Group may be enhanced.
- (b) The Share Purchase Mandate is an expedient, effective and cost-efficient way for the Company to return surplus cash which is in excess of the financial and possible investment needs of the Group to Shareholders. In addition, the Share Purchase Mandate will allow the Company to have greater flexibility over, *inter alia*, the Company's share capital structure and its dividend policy.
- (c) Share repurchase programmes help buffer short-term share price volatility and off-set the effects of short-term speculators and investors and, in turn, bolster shareholder confidence and employee morale.
- (d) Repurchased Shares which are held in treasury may be transferred for the purposes of or pursuant to employees' share schemes implemented by the Company.

The approval of the renewal of the Share Purchase Mandate authorising the Company to purchase or acquire its Shares would give the Company the flexibility to undertake share purchases or acquisitions at any time, subject to market conditions, during the period when the Share Purchase Mandate is in force.

Letter to Shareholders and CUFS Holders

While the Share Purchase Mandate would authorise a purchase or acquisition of Shares up to the 10% limit described in paragraph 3.3.1 below, it should be noted that purchases or acquisitions of Shares pursuant to the Share Purchase Mandate may not be carried out to the full 10% limit as authorised, and no purchases or acquisitions of Shares would be made in circumstances which would have or may have a material adverse effect on the financial position of the Company.

3.3 Authority and Limits of the Share Purchase Mandate. The authority and limits placed on purchases or acquisitions of Shares by the Company under the proposed Share Purchase Mandate, if renewed at the EGM, are substantially the same as were previously approved by Shareholders at the 2005 EGM, and, for the benefit of Shareholders and CUFS Holders, are summarised below:

3.3.1 Maximum Number of Shares

The total number of Shares which may be purchased or acquired by the Company pursuant to the Share Purchase Mandate is limited to that number of Shares representing not more than 10% of the total number of issued Shares of the Company as at the date of the EGM. Following the introduction of the Companies (Amendment) Act, any of the Shares which are held as treasury shares will be disregarded for purposes of computing the 10% limit.

3.3.2 Duration of Authority

Purchases or acquisitions of Shares may be made, at any time and from time to time, on and from the date of the EGM, at which the renewal of the Share Purchase Mandate is approved, up to:

- (a) the date on which the next Annual General Meeting of the Company is held or required by law to be held; or
- (b) the date on which the authority conferred by the Share Purchase Mandate is revoked or varied,

whichever is the earlier.

3.3.3 Manner of Purchases or Acquisitions of Shares

Purchases or acquisitions of Shares may be made by way of:

- (a) Market Purchases; and/or
- (b) Off-Market Purchases.

The Directors may impose such terms and conditions which are not inconsistent with the Share Purchase Mandate, the SGX Listing Manual, the listing rules of any other stock exchange on which the Shares may for the time being be listed and quoted, and the Companies Act as they consider fit in the interests of the Company in connection with or in relation to any equal access scheme or schemes. An Off-Market Purchase must, however, satisfy all the following conditions:

- (i) offers for the purchase or acquisition of Shares shall be made to every person who holds Shares to purchase or acquire the same percentage of their Shares;
- (ii) all of those persons shall be given a reasonable opportunity to accept the offers made; and
- (iii) the terms of all the offers shall be the same, except that there shall be disregarded (1) differences in consideration attributable to the fact that offers may relate to Shares with different accrued dividend entitlements and (2) differences in the offers introduced solely to ensure that each person is left with a whole number of Shares.

If the Company wishes to make an Off-Market Purchase in accordance with an equal access scheme, it will issue an offer document containing at least the following information:

- (1) terms and conditions of the offer;
- (2) period and procedures for acceptances; and
- (3) information required under Rule 883(2), (3), (4) and (5) of the SGX Listing Manual.

Letter to Shareholders and CUFS Holders

3.3.4 **Purchase Price**

The purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) to be paid for a Share will be determined by the Directors. The Maximum Price to be paid for the Shares as determined by the Directors must not exceed:

- (a) in the case of a Market Purchase, 105% of the Average Closing Price of the Shares; and
- (b) in the case of an Off-Market Purchase, 110% of the Average Closing Price of the Shares,

in either case, excluding related expenses of the purchase or acquisition.

For the above purposes:

“Average Closing Price” means the average of the last dealt prices (excluding any transaction that the SGX-ST or other stock exchange on which the Shares may for the time being be listed or quoted (as the case may be) requires to be excluded for this purpose) of a Share for the five consecutive Market Days on which the Shares are transacted on the SGX-ST or, as the case may be, such stock exchange on which the Shares are listed or quoted, immediately preceding the date of the Market Purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the Off-Market Purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action that occurs after the relevant five-day period; and

“Date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from Shareholders, stating therein the relevant terms of the equal access scheme for effecting the Off-Market Purchase.

- 3.4 Source of Funds.** Previously, any payment made by the Company in consideration of the purchase or acquisition of its Shares could only be made out of the Company's distributable profits. The Companies (Amendment) Act now permits the Company to also purchase or acquire its Shares out of capital, as well as from its distributable profits.

The Company intends to use internal and external sources of funds to finance its purchase or acquisition of Shares. The Directors do not propose to exercise the Share Purchase Mandate in a manner and to such extent that the working capital requirements of the Group would be materially affected.

- 3.5 Status of Purchased Shares.** Shares purchased or acquired by the Company are deemed cancelled immediately on purchase or acquisition (and all rights and privileges attached to those Shares will expire on such cancellation) unless such Shares are held by the Company as treasury shares. The total number of issued Shares will be diminished by the number of Shares purchased or acquired by the Company and which are not held as treasury shares.

- 3.6 Treasury Shares.** Under the Companies Act, as amended by the Companies (Amendment) Act, Shares purchased or acquired by the Company may be held or dealt with as treasury shares. Some of the provisions on treasury shares under the Companies Act, as amended by the Companies (Amendment) Act, are summarised below:

3.6.1 **Maximum Holdings**

The number of Shares held as treasury shares cannot at any time exceed 10% of the total number of issued Shares.

3.6.2 **Voting and Other Rights**

The Company cannot exercise any right in respect of treasury shares. In particular, the Company cannot exercise any right to attend or vote at meetings and for the purposes of the Companies Act, the Company shall be treated as having no right to vote and the treasury shares shall be treated as having no voting rights.

In addition, no dividend may be paid, and no other distribution of the Company's assets may be made, to the Company in respect of treasury shares. However, the allotment of shares as fully paid bonus shares in respect of treasury shares is allowed. A subdivision or consolidation of any treasury share is also allowed so long as the total value of the treasury shares after the subdivision or consolidation is the same as before.

Letter to Shareholders and CUFs Holders

3.6.3 Disposal and Cancellation

Where Shares are held as treasury shares, the Company may at any time:

- (a) sell the treasury shares for cash;
- (b) transfer the treasury shares for the purposes of or pursuant to an employees' share scheme;
- (c) transfer the treasury shares as consideration for the acquisition of shares in or assets of another company or assets of a person;
- (d) cancel the treasury shares; or
- (e) sell, transfer or otherwise use the treasury shares for such other purposes as may be prescribed by the Minister for Finance.

3.7 Financial Effects. The financial effects on the Company and the Group arising from purchases or acquisitions of Shares which may be made pursuant to the proposed Share Purchase Mandate will depend on, *inter alia*, whether the Shares are purchased or acquired out of profits and/or capital of the Company, the number of Shares purchased or acquired, the price paid for such Shares and whether the Shares purchased or acquired are held in treasury or cancelled.

Under the Companies Act, as amended by the Companies (Amendment) Act, purchases or acquisitions of Shares by the Company may be made out of the Company's profits and/or capital so long as the Company is solvent. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of profits, such consideration (excluding brokerage, commission, goods and services tax and other related expenses) will correspondingly reduce the amount available for the distribution of cash dividends by the Company. Where the consideration paid by the Company for the purchase or acquisition of Shares is made out of capital, the amount available for the distribution of cash dividends by the Company will not be reduced.

The financial effects on the Company and the Group, based on the audited financial statements of the Company and the Group for the financial year ended 31 March 2006, are based on the assumptions set out below.

3.7.1 Number of Shares Purchased or Acquired

Purely for illustrative purposes, on the basis of 16,704,363,616 Shares in issue as at the Latest Practicable Date and assuming no further Shares are issued, and no Shares are held by the Company as treasury shares, on or prior to the EGM, the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 1,670,436,361 Shares.

3.7.2 Maximum Price Paid for Shares Purchased or Acquired

In the case of Market Purchases by the Company and assuming that the Company purchases or acquires 1,670,436,361 Shares at the Maximum Price of S\$2.877 for one Share (being the price equivalent to 5% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 1,670,436,361 Shares is S\$4,805,845,410.59.

In the case of Off-Market Purchases by the Company and assuming that the Company purchases or acquires 1,670,436,361 Shares at the Maximum Price of S\$3.014 for one Share (being the price equivalent to 10% above the Average Closing Price of the Shares for the five consecutive Market Days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of 1,670,436,361 Shares is S\$5,034,695,192.05.

3.7.3 Illustrative Financial Effects

For illustrative purposes only and on the basis of the assumptions set out in paragraphs 3.7.1 and 3.7.2 above, the financial effects of the purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2006 are set out below and assuming the following:

- (a) the purchase or acquisition of 1,670,436,361 Shares by the Company pursuant to the Share Purchase Mandate by way of Market Purchases, made as to half out of profits and as to half out of capital, and cancelled or held in treasury; and
- (b) the purchase or acquisition of 1,670,436,361 Shares by the Company pursuant to the Share Purchase Mandate by way of Off-Market Purchases, made as to half out of profits and as to half out of capital, and cancelled or held in treasury.

Letter to Shareholders and CUFS Holders

Scenario 1(A)

Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and cancelled

	Group		Company	
	Before Market Purchase S\$ Mil	After Market Purchase S\$ Mil	Before Market Purchase S\$ Mil	After Market Purchase S\$ Mil
<u>As at 31 March 2006</u>				
Shareholders' Funds	21,128.7	16,322.9	14,323.9	9,518.1
Treasury Shares Held by Trust	(38.1)	(38.1)	-	-
Treasury Shares Held by the Company	-	-	-	-
Total Shareholders' Funds	21,090.6	16,284.8	14,323.9	9,518.1
Current Assets	5,933.9	5,264.1	1,436.4	766.6
Current Liabilities	5,127.8	5,127.8	3,044.5	3,044.5
Total Borrowings	7,400.7	11,536.7	5,145.0	9,281.0
Cash and Cash Equivalents	2,770.3	2,100.5	669.8	-
Number of Shares ('000)	16,703,318.3	15,032,882.0	16,703,318.3	15,032,882.0
<u>Financial Ratios</u>				
Net Assets per Share (S\$)	1.26	1.08	0.86	0.63
Gearing (%)	35.1	70.8	35.9	97.5
Current Ratio (times)	1.16	1.03	0.47	0.25

Letter to Shareholders and CUFS Holders

Scenario 1(B)

Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and held in treasury

	Group		Company	
	Before Market Purchase S\$ Mil	After Market Purchase S\$ Mil	Before Market Purchase S\$ Mil	After Market Purchase S\$ Mil
<u>As at 31 March 2006</u>				
Shareholders' Funds	21,128.7	21,128.7	14,323.9	14,323.9
Treasury Shares Held by Trust	(38.1)	(38.1)	-	-
Treasury Shares Held by the Company	-	(4,805.8)	-	(4,805.8)
Total Shareholders' Funds	21,090.6	16,284.8	14,323.9	9,518.1
Current Assets	5,933.9	5,264.1	1,436.4	766.6
Current Liabilities	5,127.8	5,127.8	3,044.5	3,044.5
Total Borrowings	7,400.7	11,536.7	5,145.0	9,281.0
Cash and Cash Equivalents	2,770.3	2,100.5	669.8	-
Number of Shares ('000)	16,703,318.3	15,032,882.0	16,703,318.3	15,032,882.0
<u>Financial Ratios</u>				
Net Assets per Share (S\$)	1.26	1.08	0.86	0.63
Gearing (%)	35.1	70.8	35.9	97.5
Current Ratio (times)	1.16	1.03	0.47	0.25

Letter to Shareholders and CUFS Holders

Scenario 2(A)

Off-Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and cancelled

	Group		Company	
	Before Off-Market Purchase S\$ Mil	After Off-Market Purchase S\$ Mil	Before Off-Market Purchase S\$ Mil	After Off-Market Purchase S\$ Mil
As at 31 March 2006				
Shareholders' Funds	21,128.7	16,094.0	14,323.9	9,289.2
Treasury Shares Held by Trust	(38.1)	(38.1)	-	-
Treasury Shares Held by the Company	-	-	-	-
Total Shareholders' Funds	21,090.6	16,055.9	14,323.9	9,289.2
Current Assets	5,933.9	5,264.1	1,436.4	766.6
Current Liabilities	5,127.8	5,127.8	3,044.5	3,044.5
Total Borrowings	7,400.7	11,765.6	5,145.0	9,509.9
Cash and Cash Equivalents	2,770.3	2,100.5	669.8	-
Number of Shares ('000)	16,703,318.3	15,032,882.0	16,703,318.3	15,032,882.0
Financial Ratios				
Net Assets per Share (S\$)	1.26	1.07	0.86	0.62
Gearing (%)	35.1	73.3	35.9	102.4
Current Ratio (times)	1.16	1.03	0.47	0.25

Letter to Shareholders and CUFS Holders

Scenario 2(B)

Off-Market Purchases of up to 10% made as to 5% out of profits and as to 5% out of capital and held in treasury

	Group		Company	
	Before Off-Market Purchase S\$ Mil	After Off-Market Purchase S\$ Mil	Before Off-Market Purchase S\$ Mil	After Off-Market Purchase S\$ Mil
As at 31 March 2006				
Shareholders' Funds	21,128.7	21,128.7	14,323.9	14,323.9
Treasury Shares Held by Trust	(38.1)	(38.1)	-	-
Treasury Shares Held by the Company	-	(5,034.7)	-	(5,034.7)
Total Shareholders' Funds	21,090.6	16,055.9	14,323.9	9,289.2
Current Assets	5,933.9	5,264.1	1,436.4	766.6
Current Liabilities	5,127.8	5,127.8	3,044.5	3,044.5
Total Borrowings	7,400.7	11,765.6	5,145.0	9,509.9
Cash and Cash Equivalents	2,770.3	2,100.5	669.8	-
Number of Shares ('000)	16,703,318.3	15,032,882.0	16,703,318.3	15,032,882.0
Financial Ratios				
Net Assets per Share (S\$)	1.26	1.07	0.86	0.62
Gearing (%)	35.1	73.3	35.9	102.4
Current Ratio (times)	1.16	1.03	0.47	0.25

SHAREHOLDERS AND CUFS HOLDERS SHOULD NOTE THAT THE FINANCIAL EFFECTS SET OUT ABOVE ARE FOR ILLUSTRATION PURPOSES ONLY (BASED ON THE ABOVEMENTIONED ASSUMPTIONS). Although the Share Purchase Mandate would authorise the Company to purchase or acquire up to 10% of the issued Shares, the Company may not necessarily purchase or acquire or be able to purchase or acquire the entire 10% of the issued Shares. In addition, the Company may cancel all or part of the Shares repurchased or hold all or part of the Shares repurchased in treasury.

- 3.8 Reporting Requirements.** The SGX Listing Manual specifies that a listed company shall report all purchases or acquisitions of its shares to the SGX-ST not later than 9.00 am (i) in the case of a Market Purchase, on the market day following the day of purchase or acquisition of any of its shares and (ii) in the case of an Off-Market Purchase under an equal access scheme, on the second market day after the close of acceptances of the offer. Such announcement (which must be in the form of Appendix 8.3.1 to the SGX Listing Manual) must include details of the date of the purchase, the total number of shares purchased, the purchase price per share or the highest and lowest prices paid for such shares, as applicable, and the total consideration (including stamp duties and clearing charges) paid or payable for the shares.
- 3.9 No Purchases During Price Sensitive Developments.** While the SGX Listing Manual does not expressly prohibit any purchase of shares by a listed company during any particular time or times, because the listed company would be regarded as an "insider" in relation to any proposed purchase or acquisition of its issued shares, the Company will not undertake any purchase or acquisition of Shares pursuant to the proposed Share Purchase Mandate at any time after a price sensitive development has occurred or has been the subject of a decision until the price sensitive information has been publicly announced. In particular, the Company will not purchase or acquire any Shares through Market Purchases or Off-Market Purchases during the period of two weeks immediately preceding the announcement of the Company's quarterly, half-yearly and annual results respectively.

Letter to Shareholders and CUFS Holders

- 3.10 Listing Status of the Shares.** The SGX Listing Manual requires a listed company to ensure that at least 10% of equity securities (excluding preference shares and convertible equity securities) in a class that is listed is at all times held by the public. As at the Latest Practicable Date, Temasek had an interest (both direct and deemed) in 9,438,389,625 Shares representing approximately 56.5% of the issued Shares as at that date. Approximately 43.3% of the issued Shares were held by public Shareholders as at that date. Assuming the Company had purchased or acquired Shares from the public up to the full 10% limit pursuant to the proposed Share Purchase Mandate on the Latest Practicable Date, approximately 37.0% of the issued Shares would have been held by public Shareholders as at that date.

The Company will ensure that there is a sufficient number of the Shares in issue held by public Shareholders which would permit the Company to undertake purchases or acquisitions of its Shares through Market Purchases up to the full 10% limit pursuant to the proposed Share Purchase Mandate without affecting the listing status of the Shares on the SGX-ST, causing market illiquidity or affecting orderly trading.

- 3.11 ASX Listing Rules.** The ASX Listing Rules set out certain requirements that may be additional to the requirements of the SGX Listing Manual unless the Company has obtained a waiver from that rule. ASX Listing Rule 7.29 has as a condition for an on-market buy-back that there must have been transactions in a company's shares on ASX on at least five days in the three months preceding the buy-back. ASX Listing Rule 7.33 requires an on-market buy-back to only be effected at a price which is not more than 5% above the average market price for the buy-back securities calculated over the last five days on which sales were recorded before the day on which the purchase under the buy-back was made. This is similar to Rule 884 of the SGX Listing Manual, although ASX excludes certain transactions (special crossings, overnight sales and exercises of exchange traded options) from the definition of "market price" and Rule 884 provides that the average market price is deemed to be adjusted for any corporate action that occurs after the relevant five-day period. Further, ASX Listing Rule 7.36 requires consultation by the Company with ASX (because it is not subject to the Australian Corporations Act 2001) before any buy-back and allows ASX to impose requirements on the buy-back as if it were a company incorporated in Australia.

The Company has consulted with ASX under ASX Listing Rule 7.36 concerning share buy-backs carried out by the Company. ASX has agreed that, until there is a change to the Companies Act (as amended by the Companies (Amendment) Act), the SGX Listing Manual, the Australian Corporations Act 2001 or the ASX Listing Rules in relation to share buy-backs, the Company will comply with the ASX Listing Rules relating to on-market buy-backs (by companies) as if the references to a company making a buy-back under the Australian Corporations Act 2001 included a reference to the Company making a buy-back permitted by the Companies Act (as amended by the Companies (Amendment) Act) and accordingly the Company will give the notices in relation to buy-backs required by ASX Listing Rules 3.8A and 3.9.

- 3.12 Shareholding limit.** The Articles currently prescribe a Shareholding Limit of 15% of the issued Shares in which any person or related group of persons (other than a person or persons approved by the Directors) may have an interest. The Articles also empower the Directors to require the sale of Shares, if it shall come to their notice that the Shareholding Limit is exceeded.

The Company wishes to draw the attention of Shareholders and CUFS Holders to the following consequences of a purchase or acquisition of Shares by the Company pursuant to the Share Purchase Mandate, if the renewal of the Share Purchase Mandate is approved by Shareholders:

A PURCHASE OR ACQUISITION OF SHARES BY THE COMPANY MAY INADVERTENTLY CAUSE THE INTEREST IN THE SHARES OF ANY PERSON OR RELATED GROUP OF PERSONS TO REACH OR EXCEED THE SHAREHOLDING LIMIT (IN PARTICULAR, A PERSON WHOSE INTEREST IN SHARES IS CURRENTLY CLOSE TO THE SHAREHOLDING LIMIT). THE DIRECTORS ARE EMPOWERED TO SERVE NOTICE ON SUCH PERSON REQUIRING A DISPOSAL OF THE INTEREST IN THE AFFECTED SHARES WITHIN 21 DAYS OF THE GIVING OF SUCH NOTICE OR SUCH LONGER PERIOD AS THE DIRECTORS CONSIDER REASONABLE TO A PERSON QUALIFIED TO HAVE AN INTEREST IN THE AFFECTED SHARES.

- 3.13 Take-over Implications.** Appendix 2 of the Take-over Code contains the Share Buy-Back Guidance Note. The take-over implications arising from any purchase or acquisition by the Company of its Shares are set out below.

3.13.1 Obligation to make a Take-over Offer

If, as a result of any purchase or acquisition by the Company of its Shares, the proportionate interest in the voting capital of the Company of a Shareholder and persons acting in concert with him increases, such increase will be treated as an acquisition for the purposes of Rule 14 of the Take-over Code. Consequently, a Shareholder or a group of Shareholders acting in concert with a Director could obtain or consolidate effective control of the Company and become obliged to make an offer under Rule 14 of the Take-over Code.

Letter to Shareholders and CUFS Holders

3.13.2 *Persons Acting in Concert*

Under the Take-over Code, persons acting in concert comprise individuals or companies who, pursuant to an agreement or understanding (whether formal or informal), co-operate, through the acquisition by any of them of shares in a company to obtain or consolidate effective control of that company.

Unless the contrary is established, the Take-over Code presumes, *inter alia*, the following individuals and companies to be persons acting in concert with each other:

- (a) the following companies:
 - (i) a company;
 - (ii) the parent company of (i);
 - (iii) the subsidiaries of (i);
 - (iv) the fellow subsidiaries of (i);
 - (v) the associated companies of any of (i), (ii), (iii) or (iv); and
 - (vi) companies whose associated companies include any of (i), (ii), (iii), (iv) or (v); and
- (b) a company with any of its directors (together with their close relatives, related trusts as well as companies controlled by any of the directors, their close relatives and related trusts).

The circumstances under which Shareholders (including Directors), CUFS Holders and persons acting in concert with them respectively, will incur an obligation to make a take-over offer under Rule 14 of the Take-over Code after a purchase or acquisition of Shares by the Company are set out in Appendix 2 of the Take-over Code.

3.13.3 *Effect of Rule 14 and Appendix 2*

In general terms, the effect of Rule 14 and Appendix 2 of the Take-over Code is that, unless exempted, Directors and persons acting in concert with them will incur an obligation to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring Shares, the voting rights of such Directors and their concert parties would increase to 30% or more, or in the event that such Directors and their concert parties hold between 30% and 50% of the Company's voting rights, if the voting rights of such Directors and their concert parties would increase by more than 1% in any period of six months.

Under Appendix 2 of the Take-over Code, a Shareholder not acting in concert with the Directors will not be required to make a take-over offer under Rule 14 if, as a result of the Company purchasing or acquiring its Shares, the voting rights of such Shareholder would increase to 30% or more, or, if such Shareholder holds between 30% and 50% of the Company's voting rights, the voting rights of such Shareholder would increase by more than 1% in any period of six months. Such Shareholder need not abstain from voting in respect of the resolution authorising the Share Purchase Mandate.

Based on substantial shareholder notifications received by the Company under Division 4, Part IV of the Companies Act as at the Latest Practicable Date as set out in paragraph 6.2 below, the substantial Shareholder would not become obliged to make a take-over offer for the Company under Rule 14 of the Take-over Code as a result of the purchase or acquisition by the Company of the maximum limit of 10% of its issued Shares as at the Latest Practicable Date.

Shareholders and CUFS Holders who are in doubt as to their obligations, if any, to make a mandatory take-over offer under the Take-over Code as a result of any purchase or acquisition of Shares by the Company should consult the Securities Industry Council and/or their professional advisers at the earliest opportunity.

3.14 No Previous Purchases. The Company had not undertaken any purchase or acquisition of its Shares pursuant to the Share Purchase Mandate approved by Shareholders at the 2005 EGM as at the Latest Practicable Date.

4. THE PROPOSED APPROVAL OF THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF EXCEPTION 9 IN RULE 7.2 OF THE LISTING RULES OF AUSTRALIAN STOCK EXCHANGE LIMITED

4.1 ASX Listing Rules. The Company is currently subject to the ASX Listing Rules. ASX Listing Rule 7.1 requires shareholder approval for an issue of equity securities if, over a 12-month period, the amount of equity securities issued is more than 15% of the number of ordinary shares on issue at the start of that 12-month period.

Under Exception 9 in ASX Listing Rule 7.2, an issue of securities under an employee incentive scheme is an exception to ASX Listing Rule 7.1 (and therefore does not detract from the available 15% limit under ASX Listing Rule 7.1) if within three years before the date of issue, shareholders have approved the issue of securities as an exception to ASX Listing Rule 7.1.

Letter to Shareholders and CUFS Holders

4.2 Approval for Issue of Shares. Shareholders last approved the issue of Shares under the SingTel Performance Share Plan as an exception to ASX Listing Rule 7.1 at an extraordinary general meeting held on 29 August 2003. The three-year period referred to in Exception 9 in ASX Listing Rule 7.2 will accordingly expire on 28 August 2006.

Shareholders are therefore being requested to approve the issue of Shares under the SingTel Performance Share Plan, as an exception to ASX Listing Rule 7.1, at the EGM. Such approval, if obtained at the EGM, would be valid for a further period of three years from the date of the EGM.

4.3 Summary of SingTel Performance Share Plan. A summary of the principal rules of the SingTel Performance Share Plan is set out in Appendix B to this Circular.

4.4 Total Number of Shares Issued. The Company has not issued any new Shares under the SingTel Performance Share Plan since 29 August 2003, being the date approval was last obtained from Shareholders for the issue of Shares under the SingTel Performance Share Plan as an exception to ASX Listing Rule 7.1.

4.5 Voting Exclusion. In relation to this resolution, the Company will disregard any votes cast on the resolution by:

- (a) a Director; and
- (b) an ASX Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

5. THE PROPOSED APPROVAL FOR PARTICIPATION BY THE RELEVANT PERSON IN THE SINGTEL PERFORMANCE SHARE PLAN FOR THE PURPOSES OF THE LISTING RULES OF AUSTRALIAN STOCK EXCHANGE LIMITED

5.1 ASX Listing Rules. Under Listing Rule 10.14 of the ASX Listing Rules, a Director, an ASX Associate of a Director or a person whose relationship with the Company is in ASX's opinion such that approval should be obtained, may only participate in an employee incentive scheme if the Shareholders approve that participation by Ordinary Resolution.

For the purposes of the ASX Listing Rules, an ASX Associate is interpreted by reference to section 11 and sections 13 to 17 of the Australian Corporations Act 2001, and includes a person in concert with whom the director is acting or proposing to act or with whom the director is or proposes to become associated whether formally or informally in any other way, in respect of the matter to which the associate reference relates (in this case, the acquisition of Shares under the SingTel Performance Share Plan).

An ASX Associate of a Director of the Company, or a person whose relationship with the Company is in ASX's opinion such that approval should be obtained, would be eligible to participate in the SingTel Performance Share Plan only if he satisfies the eligibility requirements of the SingTel Performance Share Plan to begin with.

5.2 Information under ASX Requirements. The relevant approval is thus being sought from Shareholders at the EGM. In accordance with ASX requirements, the following information is provided:

5.2.1 Relevant Person

The Relevant Person in relation to whom approval to participate in the SingTel Performance Share Plan in the Relevant Period is being sought is:

Lee Hsien Yang

Letter to Shareholders and CUFS Holders

5.2.2 Maximum Number of Shares

The maximum number of Shares comprised in an award that may be granted (subject to the terms and conditions of the SingTel Performance Share Plan) to the Relevant Person during the Relevant Period is:

Relevant Person	Maximum Number of Shares
Lee Hsien Yang	2,000,000

5.2.3 Terms and Conditions

The Shares to be awarded (subject to the terms and conditions of the SingTel Performance Share Plan) to the Relevant Person will be awarded free of charge. The award, if any, will be granted prior to the end of the Relevant Period (that is, prior to the date of the 15th Annual General Meeting of the Company or prior to the date falling 12 months after the date of the 14th Annual General Meeting of the Company, whichever is the earlier).

The other terms and conditions (including vesting conditions) of Shares which may be acquired by the Relevant Person will be subject to the Rules of the SingTel Performance Share Plan.

5.2.4 Other Directors or ASX Associates

None of the other Directors, except Lee Hsien Yang, or ASX Associates have received any awards of Shares under the SingTel Performance Share Plan as at the Latest Practicable Date. Executive Directors are eligible to participate in the SingTel Performance Share Plan. Lee Hsien Yang is the only executive Director of the Company. Details of Lee Hsien Yang's interests in Shares are set out in paragraph 6.1 below.

5.2.5 Voting Exclusion

In relation to this resolution, the Company will disregard any votes cast on the resolution by:

- (a) a Director; and
- (b) an ASX Associate of that person (or those persons).

However, the Company need not disregard a vote if:

- (i) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the Proxy Form; or
- (ii) it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the Proxy Form to vote as the proxy decides.

6. DIRECTORS' AND SUBSTANTIAL SHAREHOLDER'S INTERESTS

6.1 Directors' Interests. The interests of the Directors in the Shares, as extracted from the Register of Directors' Shareholdings, as at the Latest Practicable Date, are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Interest
Chumpol NaLamlieng	150,000	-	150,000
Lee Hsien Yang	4,050,000	21,774,857 ⁽¹⁾	25,824,857
Graham John Bradley	92,860	-	92,860
Paul Chan Kwai Wah	57,460	1,620 ⁽²⁾	59,080
Heng Swee Keat	1,390	-	1,390
Simon Israel	139,283	-	139,283
Professor Tommy Koh	3,440	610 ⁽²⁾	4,050
John Powell Morschel	58,700	-	58,700
Deepak S Parekh	-	-	-
Jackson Peter Tai	102,150	-	102,150
Nicky Tan Ng Kuang	55,720	-	55,720

Letter to Shareholders and CUFS Holders

	Number of Shares Comprised in Unexercised Share Options
Chumpol NaLamlieng	60,000
Lee Hsien Yang	2,000,000
Jackson Peter Tai	60,000

Notes:

(1) The deemed interest in 21,774,857 Shares includes:

- (i) 17,224,302 Shares held by RBC Dexia Trust Services Singapore Limited ("**Dexia**"), the trustee of a trust established to purchase Shares for the benefit of eligible employees under the SingTel Executives' Performance Share Plan and the SingTel Performance Share Plan. The Shares purchased by Dexia pursuant to the trust are held for the benefit of all such eligible employees and vest in such employees subject to certain performance conditions being met and other terms and conditions. Pursuant to the Companies Act, Lee Hsien Yang is deemed to be interested in the Shares held by Dexia pursuant to the trust;
- (ii) 1,430 Shares held by the spouse of Lee Hsien Yang; and
- (iii) an aggregate of up to 4,549,125 Shares awarded to Lee Hsien Yang pursuant to the SingTel Executives' Performance Share Plan and the SingTel Performance Share Plan, subject to certain performance conditions being met and other terms and conditions.

(2) Held by spouse.

6.2 Substantial Shareholder's Interests. The interests of the substantial Shareholder in the Shares, as extracted from the Register of Substantial Shareholders, as at the Latest Practicable Date, are set out below:

	Number of Shares		
	Direct Interest	Deemed Interest	Total Percentage Interest
Temasek Holdings (Private) Limited	9,066,895,692	371,493,933 ⁽¹⁾	56.5

Notes:

(1) Held through associated and/or subsidiary companies.

7. DIRECTORS' RECOMMENDATIONS

7.1 The Proposed Alterations to the Articles. The Directors are of the opinion that the proposed alterations to the Articles are in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 1, being the Special Resolution relating to the proposed alterations to the Articles to be proposed at the EGM.

7.2 The Proposed Renewal of the Share Purchase Mandate. The Directors are of the opinion that the proposed renewal of the Share Purchase Mandate is in the best interests of the Company. Accordingly, they recommend that Shareholders vote in favour of Resolution 2, being the Ordinary Resolution relating to the proposed renewal of the Share Purchase Mandate to be proposed at the EGM.

7.3 The Proposed Approval of the SingTel Performance Share Plan. The Directors are prohibited under the ASX Listing Rules from voting in respect of Resolution 3, being the Ordinary Resolution relating to the proposed approval of the SingTel Performance Share Plan for the purposes of Exception 9 in Rule 7.2 of the ASX Listing Rules, and have accordingly also abstained from making any recommendation in respect of Resolution 3.

The Company will procure persons who are eligible to participate in the SingTel Performance Share Plan to abstain from voting on Resolution 3, being the Ordinary Resolution relating to the proposed approval of the SingTel Performance Share Plan for the purposes of Exception 9 in Rule 7.2 of the ASX Listing Rules.

7.4 The Proposed Approval for Participation by the Relevant Person in the SingTel Performance Share Plan. The Directors are prohibited under the ASX Listing Rules from voting in respect of Resolution 4, being the Ordinary Resolution relating to the proposed approval for participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the ASX Listing Rules, and have accordingly also abstained from making any recommendation in respect of Resolution 4.

Letter to Shareholders and CUFS Holders

8. EXTRAORDINARY GENERAL MEETING

The EGM, notice of which is set out on pages 54 to 56 of this Circular, will be held at NTUC Auditorium, One Marina Boulevard, Level 7, NTUC Centre, Singapore 018989 on 28 July 2006 at 3.30 pm (or so soon thereafter following the conclusion or adjournment of the 14th Annual General Meeting of the Company to be held at 3.00 pm on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications the Special and Ordinary Resolutions set out in the Notice of EGM.

9. ACTION TO BE TAKEN BY SHAREHOLDERS AND CUFS HOLDERS

9.1 Action to be Taken by Shareholders. If a Shareholder is unable to attend the EGM and wishes to appoint a proxy to attend, speak and vote on his behalf, he should complete, sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 (Attention: Secretariat), by not later than 48 hours before the time appointed for the EGM. The completion and return of the Proxy Form by a Shareholder will not prevent him from attending and voting at the EGM in person if he so wishes.

9.2 Action to be Taken by CUFS Holders. If a CUFS Holder wishes to attend, speak and vote at the EGM, or wishes to nominate a proxy to attend, speak and vote at the EGM in his place as proxy for CHES Depositary Nominees Pty Ltd, he should complete (where relevant), sign and return the Proxy Form enclosed with this Circular in accordance with the instructions printed thereon as soon as possible and, in any event, so as to reach the office of the Company's Australian registry, Computershare Investor Services Pty Limited, at Level 3, 60 Carrington Street, Sydney, NSW 2000, Australia or GPO Box 242, Melbourne, VIC 8060, Australia, by not later than 48 hours before the time appointed for the EGM.

10. INSPECTION OF DOCUMENTS

The following documents are available for inspection at the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 and at the office of the Company's Australian registry, Computershare Investor Services Pty Limited, at Level 3, 60 Carrington Street, Sydney, NSW 2000, Australia, during normal business hours from the date of this Circular up to the date of the EGM:

- (a) the Annual Report of the Company for the financial year ended 31 March 2006;
- (b) the 2005 Circular;
- (c) the Memorandum and Articles of Association of the Company; and
- (d) the Rules of the SingTel Performance Share Plan.

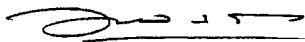
11. DIRECTORS' RESPONSIBILITY STATEMENT

The Directors collectively and individually accept responsibility for the accuracy of the information given in this Circular and confirm, having made all reasonable enquiries, that to the best of their knowledge and belief, the facts stated and the opinions expressed in this Circular are fair and accurate and that there are no material facts the omission of which would make any statement in this Circular misleading.

Yours faithfully

For and on behalf of
the Board of Directors of

SINGAPORE TELECOMMUNICATIONS LIMITED



CHUMPOL NALAMLIENG

Chairman

Appendix A

THE PROPOSED ALTERATIONS TO THE ARTICLES OF ASSOCIATION

The alterations which are proposed to be made to the Articles are set out below. For ease of reference and where appropriate, the full text of the Articles proposed to be altered has also been reproduced and the principal alterations underlined.

1. Existing Article 2

2. (A) *In these presents (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.*

<i>"The Act"</i>	<i>The Companies Act, Chapter 50.</i>
<i>"The Statutes"</i>	<i>The Act and every other Act for the time being in force concerning companies and affecting the Company.</i>
<i>"These presents"</i>	<i>These Articles of Association as from time to time altered.</i>
<i>"Office"</i>	<i>The registered office of the Company for the time being.</i>
<i>"Paid"</i>	<i>Paid or credited as paid.</i>
<i>"Seal"</i>	<i>The Common Seal of the Company.</i>
<i>"Month"</i>	<i>Calendar month.</i>
<i>"Year"</i>	<i>Calendar year.</i>
<i>"In writing"</i>	<i>Written or produced by any substitute for writing or partly one and partly another.</i>
<i>"CDI"</i>	<i>CHESS Depository Interests in shares in the Company.</i>
<i>"CDN"</i>	<i>CHESS Depository Nominees Pty Ltd or its successor.</i>
<i>"CDN Account"</i>	<i>A record relating to one holding of CDIs maintained by CDN.</i>
<i>"CDN Holder"</i>	<i>In relation to each CDN Account, the person entered in the records of CDN in relation to that CDN Account.</i>
<i>"Exchange Rules"</i>	<i>The Main Exchange Rules and the Other Exchange Rules.</i>
<i>"Main Exchange"</i>	<i>Singapore Exchange Securities Trading Limited.</i>
<i>"Main Exchange Rules"</i>	<i>The rules of the Main Exchange applicable to the Company as those rules may be in force from time to time and as they may be waived or modified in respect of the Company either generally or in a particular case.</i>
<i>"Other Exchange"</i>	<i>A stock exchange other than the Main Exchange.</i>
<i>"Other Exchange Rules"</i>	<i>Subject to Article 2(B), in relation to an Other Exchange on which the Company is listed, the rules of the Other Exchange applicable to the Company as those rules may be in force from time to time and as they may be waived or modified in respect of the Company either generally or in a particular case.</i>

Appendix A

The expressions "Depositor", "Depository", "Depository Agent" and "Depository Register" shall have the meanings ascribed to them respectively in the Act.

References in these presents to "holders" of shares or a class of shares shall:-

- (a) exclude the Depository except where otherwise expressly provided in these presents or where the term "registered holders" or "registered holder" is used in these presents; and
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares,

and "holding" and "held" shall be construed accordingly.

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents.

(B) In these presents:-

- (a) a reference to Other Exchange Rules has effect if, and only if, at the relevant time, the Company is listed on that Other Exchange and otherwise is to be disregarded;
- (b) if the provisions of the Statutes and any Other Exchange Rules are in conflict on any matter, the provisions of the Statutes shall prevail;
- (c) if the provisions of any Other Exchange Rules and any Main Exchange Rules are in conflict, the provisions of the Main Exchange Rules shall prevail;
- (d) if any of the Other Exchange Rules impose additional requirements or obligations on the Company and the Company would not breach or contravene the Statutes or the Main Exchange Rules by complying with those additional requirements or obligations of the Other Exchange Rules, the Exchange Rules shall include both the relevant provisions of the Main Exchange Rules and those Other Exchange Rules.

Proposed Alterations to Existing Article 2

By deleting Article 2 in its entirety and substituting therefor the following:

2. (A) In these presents (if not inconsistent with the subject or context) the words and expressions set out in the first column below shall bear the meanings set opposite to them respectively.

"The Act"	The Companies Act, Chapter 50.
"The Statutes"	The Act and every other Act for the time being in force concerning companies and affecting the Company.
"These presents"	These Articles of Association as from time to time altered.

Appendix A

"Office"	The registered office of the Company for the time being.
"Paid"	Paid or credited as paid.
"Seal"	The Common Seal of the Company.
"Month"	Calendar month.
"Year"	Calendar year.
"In writing"	Written or produced by any substitute for writing or partly one and partly another.
"CDI"	CHES Depository <u>Depository</u> Interests in shares in the Company <u>and includes CHES Units of Foreign Securities relating to shares in the Company (CUFS).</u>
"CDN"	CHES Depository <u>Depository</u> Nominees Pty Ltd or its successor.
"CDN Account"	A record relating to one holding of CDIs maintained by CDN.
"CDN Holder"	In relation to each CDN Account, the person entered in the records of CDN in relation to that CDN Account.
"Exchange Rules"	The Main Exchange Rules and the Other Exchange Rules.
"Main Exchange"	Singapore Exchange Securities Trading Limited.
"Main Exchange Rules"	The rules of the Main Exchange applicable to the Company as those rules may be in force from time to time and as they may be waived or modified in respect of the Company either generally or in a particular case.
"Other Exchange"	A stock exchange other than the Main Exchange.
"Other Exchange Rules"	Subject to Article 2(B), in relation to an Other Exchange on which the Company is listed, the rules of the Other Exchange applicable to the Company as those rules may be in force from time to time and as they may be waived or modified in respect of the Company either generally or in a particular case.

The expressions "Depositor", "Depository", "Depository Agent", ~~and~~ "Depository Register" and "treasury shares" shall have the meanings ascribed to them respectively in the Act.

References in these presents to "holders" of shares or a class of shares shall:-

- (a) exclude the Depository or its nominee (as the case may be) except where otherwise expressly provided in these presents or where the term "registered holders" or "registered holder" is used in these presents; ~~and~~
- (b) where the context so requires, be deemed to include references to Depositors whose names are entered in the Depository Register in respect of those shares; and
- (c) except where otherwise expressly provided in these presents, exclude the Company in relation to shares held by it as treasury shares,

and "holding" and "held" shall be construed accordingly.

References in these presents to "member" shall, where the Act requires, exclude the Company where it is a member by reason of its holding of its shares as treasury shares.

The expression "Secretary" shall include any person appointed by the Directors to perform any of the duties of the Secretary and where two or more persons are appointed to act as Joint Secretaries shall include any one of those persons.

Appendix A

All such of the provisions of these presents as are applicable to paid-up shares shall apply to stock, and the words "share" and "shareholder" shall be construed accordingly.

Words denoting the singular shall include the plural and vice versa. Words denoting the masculine shall include the feminine. Words denoting persons shall include corporations.

Any reference in these presents to any enactment is a reference to that enactment as for the time being amended or re-enacted.

Subject as aforesaid any words or expressions defined in the Act shall (if not inconsistent with the subject or context) bear the same meanings in these presents.

A Special Resolution shall be effective for any purpose for which an Ordinary Resolution is expressed to be required under any provision of these presents.

The headnotes are inserted for convenience only and shall not affect the construction of these presents.

(B) In these presents:-

- (a) a reference to Other Exchange Rules has effect if, and only if, at the relevant time, the Company is listed on that Other Exchange and otherwise is to be disregarded;
- (b) if the provisions of the Statutes and any Other Exchange Rules are in conflict on any matter, the provisions of the Statutes shall prevail;
- (c) if the provisions of any Other Exchange Rules and any Main Exchange Rules are in conflict, the provisions of the Main Exchange Rules shall prevail; and
- (d) if any of the Other Exchange Rules impose additional requirements or obligations on the Company and the Company would not breach or contravene the Statutes or the Main Exchange Rules by complying with those additional requirements or obligations of the Other Exchange Rules, the Exchange Rules shall include both the relevant provisions of the Main Exchange Rules and those Other Exchange Rules.

2. Existing Headnote "SHARE CAPITAL" and Article 3

SHARE CAPITAL

3. *The authorised share capital of the Company is \$4,999,999,999.65 divided into 33,333,333,331 ordinary shares of \$0.15 each.*

Proposed Alterations to Existing Headnote "SHARE CAPITAL" and Existing Article 3

By deleting the headnote "SHARE CAPITAL" appearing immediately before Article 3 and Article 3 in their entirety.

3. Existing Article 4

4. *Subject to the Statutes and to these presents, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 9, and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, provided always that:-*

- (a) *except as permitted in Article 5, no shares shall be issued to any person or related group of persons if, in the opinion of the Directors, such person or related group of persons would, by reason of such issue have an interest directly or indirectly in more than 15 per cent. of the shares issued by the Company for the time being;*

Appendix A

- (b) *no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members in a General Meeting;*
- (c) *no shares shall be issued at a discount except in accordance with the Statutes;*
- (d) *(subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 9(A) with such adaptations as are necessary shall apply; and*
- (e) *any other issue of shares, the aggregate of which would exceed the limits referred to in Article 9(B), shall be subject to the approval of the Company in General Meeting.*

Proposed Alterations to Existing Article 4

By deleting Article 4 in its entirety and substituting therefor the following:

~~43.~~ Subject to the Statutes and to these presents, no shares may be issued by the Directors without the prior approval of the Company in General Meeting but subject thereto and to Article 9, and to any special rights attached to any shares for the time being issued, the Directors may allot or grant options over or otherwise dispose of the same to such persons on such terms and conditions and for such consideration and at such time and subject or not to the payment of any part of the amount thereof in cash as the Directors may think fit, and any shares may be issued with such preferential, deferred, qualified or special rights, privileges or conditions as the Directors may think fit, and preference shares may be issued which are or at the option of the Company are liable to be redeemed, the terms and manner of redemption being determined by the Directors, provided always that:-

- (a) except as permitted in Article ~~54~~, no shares shall be issued to any person or related group of persons if, in the opinion of the Directors, such person or related group of persons would, by reason of such issue have an interest directly or indirectly in more than 15 per cent. of the shares issued by the Company for the time being;
- (b) no shares shall be issued to transfer a controlling interest in the Company without the prior approval of the members in a General Meeting;
- (c) ~~no shares shall be issued at a discount except in accordance with the Statutes;~~
- ~~(d)~~(c) (subject to any direction to the contrary that may be given by the Company in General Meeting) any issue of shares for cash to members holding shares of any class shall be offered to such members in proportion as nearly as may be to the number of shares of such class then held by them and the provisions of the second sentence of Article 9(A) with such adaptations as are necessary shall apply; and
- ~~(e)~~(d) any other issue of shares, the aggregate of which would exceed the limits referred to in Article 9(B), shall be subject to the approval of the Company in General Meeting.

4. Existing Article 5

5. *Notwithstanding any other provision of these presents, Temasek Holdings (Private) Limited and/or such other person or persons approved by the Directors (the "Permitted Persons") shall be entitled to have an interest in more than 15 per cent. of the issued share capital of the Company.*

Proposed Alterations to Existing Article 5

By deleting Article 5 in its entirety and substituting therefor the following:

~~54.~~ Notwithstanding any other provision of these presents, Temasek Holdings (Private) Limited and/or such other person or persons approved by the Directors (the "Permitted Persons") shall be entitled to have an interest in more than 15 per cent. of the issued shares ~~capital~~ of the Company.

Appendix A

5. Existing Article 6

6. (A) *In the event of preference shares being issued the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares and preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.*

(B) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

Proposed Alterations to Existing Article 6

By deleting Article 6 in its entirety and substituting therefor the following:

65. (A) *In the event of preference shares being may be issued the total nominal value of issued preference shares shall not at any time exceed the total nominal value of the issued ordinary shares and subject to such limitation thereof as may be prescribed by any applicable Exchange Rules. Preference shareholders shall have the same rights as ordinary shareholders as regards receiving of notices, reports and balance sheets and attending General Meetings of the Company, and preference shareholders shall also have the right to vote at any meeting convened for the purpose of reducing the capital or winding-up or sanctioning a sale of the undertaking or where the proposal to be submitted to the meeting directly affects their rights and privileges or when the dividend on the preference shares is more than six months in arrear.*

(B) *The Company has power to issue further preference capital ranking equally with, or in priority to, preference shares already issued.*

6. New Headnote "TREASURY SHARES" and New Article 6

By inserting new headnote "TREASURY SHARES" and new Article 6 immediately before Article 7 as follows:

TREASURY SHARES

6. The Company shall not exercise any right in respect of treasury shares other than as provided by the Act. Subject thereto, the Company may hold or deal with its treasury shares in the manner authorised by, or prescribed pursuant to, the Act.

7. Existing Article 7

7. (A) *Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters in nominal value of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third in nominal value of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters in nominal value of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.*

(B) *The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the creation or issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.*

Appendix A

Proposed Alterations to Existing Article 7

By deleting Article 7 in its entirety and substituting therefor the following:

7. ~~(A)~~ Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any class may, subject to the provisions of the Statutes, be varied or abrogated either with the consent in writing of the holders of three-quarters ~~in nominal value~~ of the issued shares of the class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of the shares of the class (but not otherwise) and may be so varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up. To every such separate General Meeting all the provisions of these presents relating to General Meetings of the Company and to the proceedings thereat shall mutatis mutandis apply, except that the necessary quorum shall be two persons at least holding or representing by proxy at least one-third ~~in nominal value~~ of the issued shares of the class and that any holder of shares of the class present in person or by proxy may demand a poll and that every such holder shall on a poll have one vote for every share of the class held by him, Provided always that where the necessary majority for such a Special Resolution is not obtained at such General Meeting, consent in writing if obtained from the holders of three-quarters ~~in nominal value~~ of the issued shares of the class concerned within two months of such General Meeting shall be as valid and effectual as a Special Resolution carried at such General Meeting. The foregoing provisions of this Article shall apply to the variation or abrogation of the special rights attached to some only of the shares of any class as if each group of shares of the class differently treated formed a separate class the special rights whereof are to be varied.

8. ~~(B)~~ The special rights attached to any class of shares having preferential rights shall not unless otherwise expressly provided by the terms of issue thereof be deemed to be varied by the ~~creation or~~ issue of further shares ranking as regards participation in the profits or assets of the Company in some or all respects pari passu therewith but in no respect in priority thereto.

8. Existing Article 8

8. *The Company may from time to time by Ordinary Resolution increase its capital by such sum to be divided into shares of such amounts as the resolution shall prescribe.*

Proposed Alterations to Existing Article 8

By deleting Article 8 in its entirety.

9. Existing Article 9

9. (A) *Subject to any direction to the contrary that may be given by the Company in General Meeting and to any applicable Exchange Rules, all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the amount of the existing shares to which they are entitled. The offer shall be made by notice (complying with any applicable Exchange Rules) specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may (in accordance with any applicable Exchange Rules) dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 9(A).*

(B) *Notwithstanding Article 9(A) and in accordance with any applicable Exchange Rules, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-*

- (a) (i) *issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or*
- (ii) *make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and*
- (b) *(notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,*

Appendix A

provided that:-

- (1) *the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution), does not exceed 50 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) does not exceed 20 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);*
- (2) *(subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time that the Ordinary Resolution is passed, after adjusting for:*
 - (i) *new shares arising upon the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that the Ordinary Resolution is passed; and*
 - (ii) *any subsequent consolidation or subdivision of shares;*
- (3) *in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited) and these presents; and*
- (4) *(unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).*

(C) *Except so far as otherwise provided by the conditions of issue or by these presents, all new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.*

Proposed Alterations to Existing Article 9

By deleting Article 9 in its entirety and substituting therefor the following:

9. (A) Subject to any direction to the contrary that may be given by the Company in General Meeting and to any applicable Exchange Rules, all new shares shall before issue be offered to such persons as at the date of the offer are entitled to receive notices from the Company of general meetings in proportion, as nearly as the circumstances admit, to the ~~amount~~ number of the existing shares to which they are entitled. The offer shall be made by notice (complying with any applicable Exchange Rules) specifying the number of shares offered, and limiting a time within which the offer, if not accepted, will be deemed to be declined, and, after the expiration of that time, or on the receipt of an intimation from the person to whom the offer is made that he declines to accept the shares offered, the Directors may (in accordance with any applicable Exchange Rules) dispose of those shares in such manner as they think most beneficial to the Company. The Directors may likewise so dispose of any new shares which (by reason of the ratio which the new shares bear to shares held by persons entitled to an offer of new shares) cannot, in the opinion of the Directors, be conveniently offered under this Article 9(A).

(B) Notwithstanding Article 9(A) and in accordance with any applicable Exchange Rules, the Company may by Ordinary Resolution in General Meeting give to the Directors a general authority, either unconditionally or subject to such conditions as may be specified in the Ordinary Resolution, to:-

- (a) (i) issue shares in the capital of the Company ("shares") whether by way of rights, bonus or otherwise; and/or
- (ii) make or grant offers, agreements or options (collectively, "Instruments") that might or would require shares to be issued, including but not limited to the creation and issue of (as well as adjustments to) warrants, debentures or other instruments convertible into shares; and

Appendix A

- (b) (notwithstanding the authority conferred by the Ordinary Resolution may have ceased to be in force) issue shares in pursuance of any Instrument made or granted by the Directors while the Ordinary Resolution was in force,

provided that:-

- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution), does not exceed 50 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below), of which the aggregate number of shares to be issued other than on a pro rata basis to shareholders of the Company (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) does not exceed 20 per cent. (or such other limit as may be prescribed by the Singapore Exchange Securities Trading Limited) of the issued share capital of the Company (as calculated in accordance with sub-paragraph (2) below);
- (2) (subject to such manner of calculation as may be prescribed by the Singapore Exchange Securities Trading Limited) for the purpose of determining the aggregate number of shares that may be issued under sub-paragraph (1) above, the percentage of issued share capital shall be based on the issued share capital of the Company at the time that the Ordinary Resolution is passed, after adjusting for:
- (i) new shares arising upon the conversion or exercise of any convertible securities or share options or vesting of share awards which are outstanding or subsisting at the time that the Ordinary Resolution is passed; and
- (ii) any subsequent consolidation or subdivision of shares;
- (1) the aggregate number of shares to be issued pursuant to the Ordinary Resolution (including shares to be issued in pursuance of Instruments made or granted pursuant to the Ordinary Resolution) shall be subject to such limits and manner of calculation as may be prescribed by the Main Exchange;
- ~~(3)~~(2) in exercising the authority conferred by the Ordinary Resolution, the Company shall comply with the provisions of the Listing Manual of the Singapore Exchange Securities Trading Limited Main Exchange Rules for the time being in force (unless such compliance is waived by the Singapore Exchange Securities Trading Limited Main Exchange) and these presents; and
- ~~(4)~~(3) (unless revoked or varied by the Company in General Meeting) the authority conferred by the Ordinary Resolution shall not continue in force beyond the conclusion of the Annual General Meeting of the Company next following the passing of the Ordinary Resolution, or the date by which such Annual General Meeting of the Company is required by law to be held, or the expiration of such other period as may be prescribed by the Statutes (whichever is the earliest).

(C) Except so far as otherwise provided by the conditions of issue or by these presents, all new shares shall be subject to the provisions of the Statutes and of these presents with reference to allotment, payment of calls, lien, transfer, transmission, forfeiture and otherwise.

10. Existing Article 10

10. *The Company may by Ordinary Resolution and in accordance with any applicable Exchange Rules:-*

- (a) *consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;*
- (b) *cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;*
- (c) *sub-divide its shares, or any of them, into shares of smaller amount than is fixed by the Memorandum of Association (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares*

Appendix A

may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to unissued or new shares (but so that the proportion between the amount paid and the amount unpaid on each share must be the same as before the sub-division); and

(d) *subject to the provisions of the Statutes, convert any class of shares into any other class of shares.*

Proposed Alterations to Existing Article 10

By deleting Article 10 in its entirety and substituting therefor the following:

10. The Company may by Ordinary Resolution and in accordance with any applicable Exchange Rules:-
- (a) consolidate and divide all or any of its shares ~~capital~~ into shares of larger amount than its existing shares;
 - (b) ~~cancel any shares which, at the date of the passing of the resolution, have not been taken, or agreed to be taken, by any person and diminish the amount of its capital by the amount of the shares so cancelled;~~
 - (c)(b) sub-divide its shares, or any of them, ~~into shares of smaller amount than is fixed by the Memorandum of Association~~ (subject, nevertheless, to the provisions of the Statutes), and so that the resolution whereby any share is sub-divided may determine that, as between the holders of the shares resulting from such sub-division, one or more of the shares may, as compared with the others, have any such preferred, deferred or other special rights, or be subject to any such restrictions, as the Company has power to attach to ~~unissued or~~ new shares (but so that the proportion between the amount paid and the amount unpaid on each share must be the same as before the sub-division); and
 - (d)(c) subject to the provisions of the Statutes, convert any class of shares into any other class of shares.

11. Existing Article 11

11. (A) *The Company may reduce its share capital or any capital redemption reserve fund, share premium account or other undistributable reserve in any manner and with and subject to any incident authorised and consent required by law.*

(B) *The Company may, subject to and in accordance with the Statutes and any applicable Exchange Rules, purchase or otherwise acquire shares in the issued share capital of the Company on such terms and in such manner as the Company may from time to time think fit. If required by the Statutes, any share that is so purchased or acquired by the Company shall be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of a share as aforesaid, the rights and privileges attached to that share shall expire, and the nominal amount of the issued share capital of the Company shall be diminished by the nominal amount of the share so cancelled. In any other instance, the Company may deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Statutes and any applicable Exchange Rules.*

Proposed Alterations to Existing Article 11

By deleting Article 11 in its entirety and substituting therefor the following:

11. (A) The Company may reduce its share capital ~~or any capital redemption reserve fund, share premium account or other any~~ undistributable reserve in any manner and with and subject to any incident authorised and consent required by law. Without prejudice to the generality of the foregoing, upon cancellation of any share purchased or otherwise acquired by the Company pursuant to these presents, the number of issued shares of the Company shall be diminished by the number of the shares so cancelled and, where any such cancelled share was purchased or acquired out of the capital of the Company, the amount of share capital of the Company shall be reduced accordingly.

(B) The Company may, subject to and in accordance with the Statutes and any applicable Exchange Rules, purchase or otherwise acquire its issued shares ~~in the issued share capital of the Company~~ on such terms and in such manner as the Company may from time to time think fit. If required by the Statutes, any share that is so purchased or acquired by the Company shall, unless held in treasury in accordance with the Statutes, be deemed to be cancelled immediately on purchase or acquisition. On the cancellation of a share as aforesaid, the rights and privileges attached to that share shall expire, ~~and the nominal amount of the issued share capital of the Company shall be diminished by the nominal amount of the share so cancelled.~~ In any other instance, the Company may hold or deal with any such share which is so purchased or acquired by it in such manner as may be permitted by, and in accordance with, the Statutes and any applicable Exchange Rules.

Appendix A

12. Existing Article 12

12. *Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.*

Proposed Alterations to Existing Article 12

By deleting Article 12 in its entirety and substituting therefor the following:

12. Except as required by law, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or compelled in any way to recognise any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as by these presents or by law otherwise provided) any other right in respect of any share, except an absolute right to the entirety thereof in the person (other than the Depository or its nominee (as the case may be)) entered in the Register of Members as the registered holder thereof or (as the case may be) person whose name is entered in the Depository Register in respect of that share.

13. Existing Article 14

14. *Subject to the provisions of these presents and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all unissued shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.*

Proposed Alterations to Existing Article 14

By deleting Article 14 in its entirety and substituting therefor the following:

14. Subject to the provisions of these presents and of the Statutes relating to authority, pre-emption rights and otherwise and of any resolution of the Company in General Meeting passed pursuant thereto, all ~~unissued~~ new shares shall be at the disposal of the Directors and they may allot (with or without conferring a right of renunciation), grant options over or otherwise dispose of them to such persons, at such times and on such terms as they think proper.

14. Existing Article 15

15. *The Company may exercise the powers of paying commissions conferred by the Statutes to the full extent thereby permitted provided that the rate or amount of the commissions paid or agreed to be paid shall be disclosed in the manner required by the Statutes. Such commissions may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. The Company may also on any issue of shares pay such brokerage as may be lawful.*

Proposed Alterations to Existing Article 15

By deleting Article 15 in its entirety and substituting therefor the following:

15. The Company may exercise the powers of paying commissions or brokerage on any issue of shares at such ~~conferred by the Statutes to the full extent thereby permitted provided that the rate or amount and in such manner as the Directors may deem fit,~~ of the commissions paid or agreed to be paid shall be disclosed in the manner required by the Statutes. Such commissions or brokerage may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in one way and partly in the other. ~~The Company may also on any issue of shares pay such brokerage as may be lawful.~~

15. Existing Article 17

17. *Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid up thereon. No certificate shall be issued representing shares of more than one class.*

Appendix A

Proposed Alterations to Existing Article 17

By deleting Article 17 in its entirety and substituting therefor the following:

17. Every share certificate shall be issued under the Seal and shall specify the number and class of shares to which it relates and the amount paid ~~up~~ and amount (if any) unpaid thereon. No certificate shall be issued representing shares of more than one class.

16. Existing Article 19

19. *Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, every person whose name is entered as a member in the Register of Members shall be entitled to receive within ten market days (or such other period as may be required by any applicable Exchange Rules) of the closing date of any application for shares or, as the case may be, the date of lodgement of a registrable transfer, one certificate for all his shares of any one class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require and a maximum fee of \$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be required by any applicable Exchange Rules. For the purposes of this Article 19, "market day" shall mean a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities.*

Proposed Alterations to Existing Article 19

By deleting Article 19 in its entirety and substituting therefor the following:

19. ~~Subject to the payment of all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require, e~~Every person whose name is entered as a member in the Register of Members shall be entitled to receive within ten market days (or such other period as may be required by any applicable Exchange Rules) of the closing date of any application for shares or, as the case may be, the date of lodgement of a registrable transfer, one certificate for all his shares of any one class or to several certificates in reasonable denominations each for a part of the shares so allotted or transferred. Where such a member transfers part only of the shares comprised in a certificate or where such a member requires the Company to cancel any certificate or certificates and issue new certificates for the purpose of subdividing his holding in a different manner the old certificate or certificates shall be cancelled and a new certificate or certificates for the balance of such shares issued in lieu thereof and such member shall pay ~~all or any part of the stamp duty payable (if any) on each share certificate prior to the delivery thereof which the Directors in their absolute discretion may require~~ and a maximum fee of \$2 for each new certificate or such other fee as the Directors may from time to time determine having regard to any limitation thereof as may be required by any applicable Exchange Rules. For the purposes of this Article 19, "market day" shall mean a day on which the Singapore Exchange Securities Trading Limited is open for trading in securities.

17. Existing Article 21(C)

21. (C) *Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which the Company is listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps. In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.*

Appendix A

Proposed Alterations to Existing Article 21(C)

By deleting Article 21(C) in its entirety and substituting therefor the following:

21. (C) Subject to the provisions of the Statutes, if any share certificate shall be defaced, worn out, destroyed, lost or stolen, it may be renewed on such evidence being produced and a letter of indemnity (if required) being given by the shareholder, transferee, person entitled, purchaser, member firm or member company of any Stock Exchange upon which the Company is listed or on behalf of its or their client or clients as the Directors of the Company shall require, and (in case of defacement or wearing out) on delivery up of the old certificate and in any case on payment of such sum not exceeding \$2 as the Directors may from time to time require ~~together with the amount of the proper duty with which such share certificate is chargeable under any law for the time being in force relating to stamps.~~ In the case of destruction, loss or theft, a shareholder or person entitled to whom such renewed certificate is given shall also bear the loss and pay to the Company all expenses incidental to the investigations by the Company of the evidence of such destruction or loss.

18. Existing Article 22

22. *The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or, when permitted, by way of premium) but subject always to the terms of issue of such shares and any applicable Exchange Rules. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.*

Proposed Alterations to Existing Article 22

By deleting Article 22 in its entirety and substituting therefor the following:

22. The Directors may from time to time make calls upon the members in respect of any moneys unpaid on their shares ~~(whether on account of the nominal value of the shares or, when permitted, by way of premium)~~ but subject always to the terms of issue of such shares and any applicable Exchange Rules. A call shall be deemed to have been made at the time when the resolution of the Directors authorising the call was passed and may be made payable by instalments.

19. Existing Article 25

25. *Any sum (whether on account of the nominal value of the share or by way of premium) which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.*

Proposed Alterations to Existing Article 25

By deleting Article 25 in its entirety and substituting therefor the following:

25. Any sum ~~(whether on account of the nominal value of the share or by way of premium)~~ which by the terms of issue of a share becomes payable upon allotment or at any fixed date shall for all the purposes of these presents be deemed to be a call duly made and payable on the date on which by the terms of issue the same becomes payable. In case of non-payment all the relevant provisions of these presents as to payment of interest and expenses, forfeiture or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.

20. Existing Article 27

27. *The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not while carrying interest confer a right to participate in profits.*

Appendix A

Proposed Alterations to Existing Article 27

By deleting Article 27 in its entirety and substituting therefor the following:

27. The Directors may if they think fit receive from any member willing to advance the same all or any part of the moneys (whether on account of the nominal value of the shares or by way of premium) uncalled and unpaid upon the shares held by him and such payment in advance of calls shall extinguish pro tanto the liability upon the shares in respect of which it is made and upon the money so received (until and to the extent that the same would but for such advance become payable) the Company may pay interest at such rate (not exceeding eight per cent. per annum) as the member paying such sum and the Directors may agree. Capital paid on shares in advance of calls shall not while carrying interest confer a right to participate in profits.

21. Existing Article 33

33. *The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and for all moneys as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.*

Proposed Alterations to Existing Article 33

By deleting Article 33 in its entirety and substituting therefor the following:

33. The Company shall have a first and paramount lien on every share (not being a fully paid share) and dividends from time to time declared in respect of such shares. Such lien shall be restricted to unpaid calls and instalments upon the specific shares in respect of which such moneys are due and unpaid, and to such amounts for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such share and for all moneys as the Company may be called upon by law to pay in respect of the shares of the member or deceased member. The Directors may waive any lien which has arisen and may resolve that any share shall for some limited period be exempt wholly or partially from the provisions of this Article.

22. Existing Article 36

36. *A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.*

Proposed Alterations to Existing Article 36

By deleting Article 36 in its entirety and substituting therefor the following:

36. A statutory declaration in writing that the declarant is a Director or the Secretary of the Company and that a share has been duly forfeited or surrendered or sold to satisfy a lien of the Company on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the share. Such declaration and the receipt of the Company for the consideration (if any) given for the share on the sale, re-allotment or disposal thereof together (where the same be required) with the share certificate delivered to a purchaser (or where the purchaser is a Depositor, to the Depository or its nominee (as the case may be)) or allottee thereof shall (subject to the execution of a transfer if the same be required) constitute a good title to the share and the share shall be registered in the name of the person to whom the share is sold, re-allotted or disposed of or, where such person is a Depositor, the Company shall procure that his name be entered in the Depository Register in respect of the share so sold, re-allotted or disposed of. Such person shall not be bound to see to the application of the purchase money (if any) nor shall his title to the share be affected by any irregularity or invalidity in the proceedings relating to the forfeiture, surrender, sale, re-allotment or disposal of the share.

Appendix A

23. Existing Article 37

37. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by any Stock Exchange upon which the shares in the Company may be listed or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository or CDN shall be effective although not signed or witnessed by or on behalf of the Depository or CDN (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

Proposed Alterations to Existing Article 37

By deleting Article 37 in its entirety and substituting therefor the following:

37. All transfers of the legal title in shares may be effected by the registered holders thereof by transfer in writing in the form for the time being approved by any Stock Exchange upon which the shares in the Company may be listed or in any other form acceptable to the Directors. The instrument of transfer of any share shall be signed by or on behalf of both the transferor and the transferee and be witnessed, provided that an instrument of transfer in respect of which the transferee is the Depository (or its nominee) or CDN shall be effective although not signed or witnessed by or on behalf of the Depository (or its nominee) or CDN (as the case may be). The transferor shall remain the holder of the shares concerned until the name of the transferee is entered in the Register of Members in respect thereof.

24. Existing Article 40(A)

40. (A) *The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:-*
- (a) *all or any part of the stamp duty (if any) payable on each share certificate and such fee not exceeding \$2 as the Directors may from time to time require, is paid to the Company in respect thereof;*
 - (b) *the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by the certificates of the shares to which it relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;*
 - (c) *the instrument of transfer is in respect of only one class of shares;*
 - (d) *the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered; and*
 - (e) *the instrument of transfer has a declaration attached to it duly made by or on behalf of the transferee stating:-*
 - (i) *the extent of the transferee's interest, directly or indirectly, in the issued share capital of the Company as at the date of the declaration;*
 - (ii) *whether or not the transferee is a nominee and (where the transferee is a nominee) such particulars of the interest in the shares comprised in such instrument of transfer as would otherwise have to be given under the provisions of sub-paragraph (i); and*
 - (iii) *such other information as may be required by the Directors for the purposes of Article 41 or 43.*

Proposed Alterations to Existing Article 40(A)

By deleting Article 40(A) in its entirety and substituting therefor the following:

40. (A) The Directors may in their sole discretion refuse to register any instrument of transfer of shares unless:-
- (a) ~~all or any part of the stamp duty (if any) payable on each share certificate and~~ such fee not exceeding \$2 as the Directors may from time to time require, is paid to the Company in respect thereof;

Appendix A

- (b) the amount of proper duty (if any) with which each instrument of transfer is chargeable under any law for the time being in force relating to stamps is paid;
- ~~(b)~~(c) the instrument of transfer is deposited at the Office or at such other place (if any) as the Directors may appoint accompanied by a certificate of payment of stamp duty (if any), the certificates of the shares to which it the transfer relates, and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer and, if the instrument of transfer is executed by some other person on his behalf, the authority of the person so to do;
- ~~(c)~~(d) the instrument of transfer is in respect of only one class of shares; and
- (d) the amount of the proper duty with which each share certificate to be issued in consequence of the registration of such transfer is chargeable under any law for the time being in force relating to stamps is tendered; and
- (e) the instrument of transfer has a declaration attached to it duly made by or on behalf of the transferee stating:-
 - (i) the extent of the transferee's interest, directly or indirectly, in the issued shares capital of the Company as at the date of the declaration;
 - (ii) whether or not the transferee is a nominee and (where the transferee is a nominee) such particulars of the interest in the shares comprised in such instrument of transfer as would otherwise have to be given under the provisions of sub-paragraph (i); and
 - (iii) such other information as may be required by the Directors for the purposes of Article 41 or 43.

25. Existing Article 41(A)

41. (A) *The Directors may:-*
- (a) *if a declaration made or any evidence or information furnished pursuant to Article 40(A)(e) or 40(B) contains any statement which is false or incorrect in any material particular; or*
 - (b) *if it shall come to the notice of the Directors that the share capital in which any person or related group of persons has an interest is in excess of 15 per cent. of the issued share capital,*

at any time serve a notice in writing on the holder or holders of the shares concerned requiring that holder to transfer and/or the person having an interest in the shares concerned to dispose of the interest in such number of shares registered in the name of such holder or in which such person has an interest (the "Affected Shares") as the Directors may deem necessary to a person who is qualified to have an interest in the Affected Shares.

Proposed Alterations to Existing Article 41(A)

By deleting Article 41(A) in its entirety and substituting therefor the following:

41. (A) The Directors may:-
- (a) if a declaration made or any evidence or information furnished pursuant to Article 40(A)(e) or 40(B) contains any statement which is false or incorrect in any material particular; or
 - (b) if it shall come to the notice of the Directors that the share capital in which any person or related group of persons has an interest is in excess of 15 per cent. of the issued shares capital of the Company,

at any time serve a notice in writing on the holder or holders of the shares concerned requiring that holder to transfer and/or the person having an interest in the shares concerned to dispose of the interest in such number of shares registered in the name of such holder or in which such person has an interest (the "Affected Shares") as the Directors may deem necessary to a person who is qualified to have an interest in the Affected Shares.

Appendix A

26. Existing Article 43

43. The Directors may in their sole discretion refuse to register any transfer of shares if, inter alia, in their opinion:-
- (i) except as permitted under Article 5, such transfer when registered would result in any person or related group of persons other than a Permitted Person having an interest in more than 15 per cent. of the issued share capital of the Company; or
 - (ii) such transfer is made to a corporation, individual or other legal entity (other than the Depository) who in the opinion of the Directors will hold the shares as a nominee, unless such holding as nominee shall be approved by the Directors.

Proposed Alterations to Existing Article 43

By deleting Article 43 in its entirety and substituting therefor the following:

43. The Directors may in their sole discretion refuse to register any transfer of shares if, inter alia, in their opinion:-
- (i) except as permitted under Article 54, such transfer when registered would result in any person or related group of persons other than a Permitted Person having an interest in more than 15 per cent. of the issued shares capital of the Company; or
 - (ii) such transfer is made to a corporation, individual or other legal entity (other than the Depository) who in the opinion of the Directors will hold the shares as a nominee, unless such holding as nominee shall be approved by the Directors.

27. Existing Article 45

45. If the Directors refuse to register a transfer of any shares, they shall within ten market days after the date on which the application for transfer was lodged with the Company send to the transferor and the transferee a notice in writing stating the reasons justifying the refusal to transfer and a notice of the refusal as required by the Statutes.

Proposed Alterations to Existing Article 45

By deleting Article 45 in its entirety and substituting therefor the following:

45. If the Directors refuse to register a transfer of any shares, they shall within ten market days after the date on which the application for transfer was lodged with the Company send to the transferor and the transferee a notice in writing stating the reasons justifying the refusal to transfer and a notice of the refusal as required by the Statutes. "Market day" shall have the meaning ascribed to it in Article 19.

28. Existing Article 52

52. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.

Proposed Alterations to Existing Article 52

By deleting Article 52 in its entirety and substituting therefor the following:

52. The Company may from time to time by Ordinary Resolution convert any paid-up shares into stock and may from time to time by like resolution reconvert any stock into paid-up shares of any denomination.

29. Existing Article 53

53. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units (not being greater than the nominal amount of the shares from which the stock arose) as the Directors may from time to time determine.

Appendix A

Proposed Alterations to Existing Article 53

By deleting Article 53 in its entirety and substituting therefor the following:

53. The holders of stock may transfer the same or any part thereof in the same manner and subject to the same Articles as and subject to which the shares from which the stock arose might previously to conversion have been transferred (or as near thereto as circumstances admit) but no stock shall be transferable except in such units ~~(not being greater than the nominal amount of the shares from which the stock arose)~~ as the Directors may from time to time determine.

30. Existing Article 54

54. *The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by an amount of stock which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.*

Proposed Alterations to Existing Article 54

By deleting Article 54 in its entirety and substituting therefor the following:

54. The holders of stock shall, according to the ~~amount~~ number of stock units held by them, have the same rights, privileges and advantages as regards dividend, return of capital, voting and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except as regards participation in the profits or assets of the Company) shall be conferred by ~~an amount~~ the number of stock units which would not, if existing in shares, have conferred such privilege or advantage; and no such conversion shall affect or prejudice any preference or other special privileges attached to the shares so converted.

31. Existing Article 57

57. *Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-*

- (a) *in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and*
- (b) *in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. in nominal value of the shares giving that right;*

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any Stock Exchange upon which the shares in the Company may be listed where to do so is required by any applicable Exchange Rule.

Appendix A

Proposed Alterations to Existing Article 57

By deleting Article 57 in its entirety and substituting therefor the following:

57. Any General Meeting at which it is proposed to pass a Special Resolution or (save as provided by the Statutes) a resolution of which special notice has been given to the Company, shall be called by 21 days' notice in writing at the least and an Annual General Meeting and any other Extraordinary General Meeting by 14 days' notice in writing at the least. The period of notice shall in each case be exclusive of the day on which it is served or deemed to be served and of the day on which the meeting is to be held and shall be given in manner hereinafter mentioned to all members other than such as are not under the provisions of these presents and the Act entitled to receive such notices from the Company; Provided that a General Meeting notwithstanding that it has been called by a shorter notice than that specified above shall be deemed to have been duly called if it is so agreed:-

- (a) in the case of an Annual General Meeting by all the members entitled to attend and vote thereat; and
- (b) in the case of an Extraordinary General Meeting by a majority in number of the members having a right to attend and vote thereat, being a majority together holding not less than 95 per cent. ~~in nominal value of the shares giving that right of the total voting rights of all the members having a right to vote at that meeting;~~

Provided also that the accidental omission to give notice to or the non-receipt of notice by any person entitled thereto shall not invalidate the proceedings at any General Meeting. At least 14 days' notice of any General Meeting shall be given by advertisement in the daily press and in writing to any Stock Exchange upon which the shares in the Company may be listed where to do so is required by any applicable Exchange Rule.

32. Existing Article 67

67. *At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-*

- (a) *the chairman of the meeting; or*
- (b) *not less than two members present in person or by proxy and entitled to vote; or*
- (c) *a member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or*
- (d) *a member present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right;*

Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.

Proposed Alterations to Existing Article 67

By deleting Article 67 in its entirety and substituting therefor the following:

67. At any General Meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before or on the declaration of the result of the show of hands) demanded by:-

- (a) the chairman of the meeting; or
- (b) not less than two members present in person or by proxy and entitled to vote at the meeting; or
- (c) a member present in person or by proxy and representing not less than one-tenth of the total voting rights of all the members having the right to vote at the meeting; or

Appendix A

- (d) a member present in person or by proxy and holding shares in the Company conferring a right to vote at the meeting being shares on which an aggregate sum has been paid up equal to not less than one-tenth of the total sum paid on all the shares conferring that right not less than 10 per cent. of the total number of paid-up shares of the Company (excluding treasury shares);

Provided always that no poll shall be demanded on the choice of a chairman or on a question of adjournment.

33. Existing Article 71

71. *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company each member entitled to vote may vote in person or by proxy. On a show of hands every member who is present in person and each proxy shall have one vote and on a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.*

Proposed Alterations to Existing Article 71

By deleting Article 71 in its entirety and substituting therefor the following:

71. *Subject and without prejudice to any special privileges or restrictions as to voting for the time being attached to any special class of shares for the time being forming part of the capital of the Company and to Article 6, each member entitled to vote may vote in person or by proxy. On a show of hands every member who is present in person and each proxy shall have one vote and on a poll, every member who is present in person or by proxy shall have one vote for every share which he holds or represents. For the purpose of determining the number of votes which a member, being a Depositor, or his proxy may cast at any General Meeting on a poll, the reference to shares held or represented shall, in relation to shares of that Depositor, be the number of shares entered against his name in the Depository Register as at 48 hours before the time of the relevant General Meeting as certified by the Depository to the Company.*

34. Existing Article 83

83. *Subject as hereinafter provided the Directors shall not be less than two in number.*

Proposed Alterations to Existing Article 83

By deleting Article 83 in its entirety and substituting therefor the following:

83. *Subject as hereinafter provided the Directors shall not be less than two in number. All Directors of the Company shall be natural persons.*

35. Existing Article 99

99. *The Company at the meeting at which a Director retires under any provision of these presents may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-*

- (a) *where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;*
- (b) *where such Director has given notice in writing to the Company that he is unwilling to be re-elected;*
- (c) *where the default is due to the moving of a resolution in contravention of the next following Article; or*
- (d) *where such Director has attained any retiring age applicable to him as Director.*

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

Appendix A

Proposed Alterations to Existing Article 99

By deleting Article 99 in its entirety and substituting therefor the following:

99. The Company at the meeting at which a Director retires under any provision of these presents may by Ordinary Resolution fill the office being vacated by electing thereto the retiring Director or some other person eligible for appointment. In default the retiring Director shall be deemed to have been re-elected except in any of the following cases:-

- (a) where at such meeting it is expressly resolved not to fill such office or a resolution for the re-election of such Director is put to the meeting and lost;
- (b) where such Director is disqualified under the Act from holding office as a Director or has given notice in writing to the Company that he is unwilling to be re-elected;
- (c) where the default is due to the moving of a resolution in contravention of the next following Article; or
- (d) where such Director has attained any retiring age applicable to him as Director.

The retirement shall not have effect until the conclusion of the meeting except where a resolution is passed to elect some other person in the place of the retiring Director or a resolution for his re-election is put to the meeting and lost and accordingly a retiring Director who is re-elected or deemed to have been re-elected will continue in office without a break.

36. Existing Article 101

101. *No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 nor more than 42 days (inclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected, Provided that in the case of a person recommended by the Directors for election not less than nine clear days' notice shall be necessary and notice of each and every such person shall be served on the members at least seven days prior to the meeting at which the election is to take place.*

Proposed Alterations to Existing Article 101

By deleting Article 101 in its entirety and substituting therefor the following:

101. No person other than a Director retiring at the meeting shall, unless recommended by the Directors for election, be eligible for appointment as a Director at any General Meeting unless not less than 11 nor more than 42 days (~~inclusive~~ exclusive of the date on which the notice is given) before the date appointed for the meeting there shall have been lodged at the Office notice in writing signed by some member (other than the person to be proposed) duly qualified to attend and vote at the meeting for which such notice is given of his intention to propose such person for election and also notice in writing signed by the person to be proposed of his willingness to be elected, Provided that in the case of a person recommended by the Directors for election not less than nine clear days' notice shall be necessary and notice of each and every such person shall be served on the members at least seven days prior to the meeting at which the election is to take place.

37. Existing Article 104(A)

104. (A) *Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) to be his alternate Director and may in like manner at any time terminate such appointment. A person shall not act as alternate Director to more than one Director at the same time.*

Appendix A

Proposed Alterations to Existing Article 104(A)

By deleting Article 104(A) in its entirety and substituting therefor the following:

104. (A) Any Director may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person (other than another Director) to be his alternate Director and may in like manner at any time terminate such appointment. Such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved. A person shall not act as alternate Director to more than one Director at the same time.

38. Existing Article 105(B)

105. (B) *Directors may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting.*

Proposed Alterations to Existing Article 105(B)

By deleting Article 105(B) in its entirety and substituting therefor the following:

105. (B) Directors may participate in a meeting of the Directors by means of a conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other, without a Director being in the physical presence of another Director or Directors, and participation in a meeting pursuant to this provision shall constitute presence in person at such meeting. The Directors participating in any such meeting shall be counted in the quorum for such meeting and subject to there being a requisite quorum in accordance with Article 106, all resolutions agreed by the Directors in such meeting shall be deemed to be as effective as a resolution passed at a meeting in person of the Directors duly convened and held. A meeting conducted by means of a conference telephone or similar communications equipment as aforesaid is deemed to be held at the place agreed upon by the Directors attending the meeting, provided that at least one of the Directors present at the meeting was at that place for the duration of the meeting.

39. Existing Article 116

116. *The business and affairs of the Company shall be managed by or under the direction of the Directors. The Directors may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting subject nevertheless to any regulations of these presents and to the provisions of the Statutes. The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.*

Proposed Alterations to Existing Article 116

By deleting Article 116 in its entirety and substituting therefor the following:

116. The business and affairs of the Company shall be managed by or under the direction of the Directors. The Directors may exercise all such powers of the Company as are not by the Statutes or by these presents required to be exercised by the Company in General Meeting ~~subject nevertheless to any regulations of these presents and to the provisions of the Statutes.~~ The Directors shall not carry into effect any proposals for selling or disposing of the whole or substantially the whole of the Company's undertaking unless such proposals have been approved by the Company in General Meeting. The general powers given by this Article shall not be limited or restricted by any special authority or power given to the Directors by any other Article.

40. Existing Article 126

126. *The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions of the Statutes.*

Appendix A

Proposed Alterations to Existing Article 126

By deleting Article 126 in its entirety and substituting therefor the following:

126. The Directors may from time to time set aside out of the profits of the Company and carry to reserve such sums as they think proper which, at the discretion of the Directors, shall be applicable for any purpose to which the profits of the Company may properly be applied and pending such application may either be employed in the business of the Company or be invested. The Directors may divide the reserve into such special funds as they think fit and may consolidate into one fund any special funds or any parts of any special funds into which the reserve may have been divided. The Directors may also, without placing the same to reserve, carry forward any profits. In carrying sums to reserve and in applying the same the Directors shall comply with the provisions (if any) of the Statutes.

41. Existing Article 129(A)

129. (A) *Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.*

Proposed Alterations to Existing Article 129(A)

By deleting Article 129(A) in its entirety and substituting therefor the following:

129. (A) ~~Unless and to the extent that the rights attached to any shares or the terms of issue thereof otherwise provide, all dividends shall (as regards any shares not fully paid throughout the period in respect of which the dividend is paid) be apportioned and paid pro rata according to the amounts paid on the shares during any portion or portions of the period in respect of which the dividend is paid. For the purposes of this Article no amount paid on a share in advance of calls shall be treated as paid on the share.~~

Subject to any rights or restrictions attached to any shares or class of shares and except as otherwise permitted under the Act:-

- (a) all dividends in respect of shares shall be paid in proportion to the number of shares held by a member but where shares are partly paid all dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the partly paid shares; and
- (b) all dividends shall be apportioned and paid proportionately to the amounts so paid or credited as paid during any portion or portions of the period in respect of which the dividend is paid.

For the purposes of this Article, an amount paid or credited as paid on a share in advance of a call is to be ignored.

42. New Article 133

By re-numbering Article 133 as Article 132(C) and by inserting new Article 133 immediately before Article 134 as follows:

133. The payment by the Directors of any unclaimed dividends or other moneys payable on or in respect of a share into a separate account shall not constitute the Company a trustee in respect thereof. All dividends and other moneys payable on or in respect of a share that are unclaimed after first becoming payable may be invested or otherwise made use of by the Directors for the benefit of the Company and any dividend or any such moneys unclaimed after a period of six years from the date they are first payable may be forfeited and if so shall revert to the Company but the Directors may at any time thereafter at their absolute discretion annul any such forfeiture and pay the moneys so forfeited to the person entitled thereto prior to the forfeiture. If the Depository returns any such dividend or moneys to the Company, the relevant Depositor shall not have any right or claim in respect of such dividend or moneys against the Company if a period of six years has elapsed from the date of the declaration of such dividend or the date on which such other moneys are first payable.

Appendix A

43. Existing Headnote "CAPITALISATION OF PROFITS AND RESERVES" and Article 138

CAPITALISATION OF PROFITS AND RESERVES

138. (A) *The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Article 9(B)), capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account, Capital Redemption Reserve Fund or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on the date of the Resolution (or such other date as may be specified therein or determined as therein provided) or (in the case of an Ordinary Resolution passed pursuant to Article 9(B)) such other date as may be determined by the Directors in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full unissued shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, unissued shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid. The Directors may do all acts and things considered necessary or expedient to give effect to any such capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.*

(B) *In addition and without prejudice to the power to capitalise profits and other moneys provided for by Article 138(A), the Directors shall have power to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full at par unissued shares on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.*

Proposed Alterations to Existing Headnote "CAPITALISATION OF PROFITS AND RESERVES" and Existing Article 138

By deleting the headnote "CAPITALISATION OF PROFITS AND RESERVES" and Article 138 in their entirety and substituting therefor the following respectively:

BONUS ISSUES AND CAPITALISATION OF PROFITS AND RESERVES

138. (A) The Directors may, with the sanction of an Ordinary Resolution of the Company (including any Ordinary Resolution passed pursuant to Article 9(B)); :-

(a) issue bonus shares for which no consideration is payable to the Company to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 9(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares; and/or

(b) capitalise any sum standing to the credit of any of the Company's reserve accounts (including Share Premium Account, Capital Redemption Reserve Fund or other undistributable reserve) or any sum standing to the credit of profit and loss account by appropriating such sum to the persons registered as holders of shares in the Register of Members or (as the case may be) in the Depository Register at the close of business on:-

(i) the date of the Ordinary Resolution (or such other date as may be specified therein or determined as therein provided); or

Appendix A

(ii) (in the case of an Ordinary Resolution passed pursuant to Article 9(B)) such other date as may be determined by the Directors,

in proportion to their then holdings of shares and applying such sum on their behalf in paying up in full ~~unissued new~~ shares (or, subject to any special rights previously conferred on any shares or class of shares for the time being issued, ~~unissued new~~ shares of any other class not being redeemable shares) for allotment and distribution credited as fully paid up to and amongst them as bonus shares in the proportion aforesaid.

The Directors may do all acts and things considered necessary or expedient to give effect to any such bonus issue and/or capitalisation, with full power to the Directors to make such provisions as they think fit for any fractional entitlements which would arise on the basis aforesaid (including provisions whereby fractional entitlements are disregarded or the benefit thereof accrues to the Company rather than to the members concerned). The Directors may authorise any person to enter on behalf of all the members interested into an agreement with the Company providing for any such bonus issue or capitalisation and matters incidental thereto and any agreement made under such authority shall be effective and binding on all concerned.

(B) In addition and without prejudice to the powers ~~to capitalise profits and other moneys~~ provided for by Article 138(A), the Directors shall have power to issue shares for which no consideration is payable to the Company and/or to capitalise any undivided profits or other moneys of the Company not required for the payment or provision of any dividend on any shares entitled to cumulative or non-cumulative preferential dividends (including profits or other moneys carried and standing to any reserve or reserves) and to apply such profits or other moneys in paying up in full ~~at par unissued shares~~ new shares, in each case on terms that such shares shall, upon issue, be held by or for the benefit of participants of any share incentive or option scheme or plan implemented by the Company and approved by shareholders in General Meeting in such manner and on such terms as the Directors shall think fit.

Appendix B

SUMMARY OF PRINCIPAL RULES OF THE SINGTEL PERFORMANCE SHARE PLAN

1. Eligibility

The following persons, unless they are also substantial shareholders of the Company (as defined in the Companies Act) shall be eligible to participate in the SingTel Performance Share Plan, at the absolute discretion of the committee of Directors (the “Committee”) appointed to administer the SingTel Performance Share Plan:

- (a) employees of the Group (including any Director who performs an executive function (“Group Executive Director”)) who have attained the age of twenty-one (21) years; and
- (b) employees who qualify under paragraph (a) above and are seconded to any associated company of the Company or any other company in which the Company holds shares.

2. Awards

Awards represent the right of a participant (“Participant”) to receive fully paid Shares, their equivalent cash value or combinations thereof, free of charge, provided that certain prescribed performance conditions (if any) are met and/or upon expiry of the prescribed vesting periods.

Shares which are allotted or transferred to a Participant pursuant to the release of an award shall not be transferred, charged, assigned, pledged or otherwise disposed of, in whole or in part, during a specified period (if any), except to the extent approved by the Committee.

The selection of a Participant and the number of Shares which are the subject of each award to be granted to a Participant in accordance with the SingTel Performance Share Plan shall be determined at the absolute discretion of the Committee, which shall take into account criteria such as his rank, job performance, years of service and potential for future development, his contribution to the success and development of the Group and (in the case of a performance-related award) the difficulty with which the performance condition may be achieved within the performance period.

The Committee, in its absolute discretion, shall decide, in relation to each award to be granted to a Participant:

- (a) the date on which the award is to be granted;
- (b) the number of Shares which are the subject of the award;
- (c) in the case of performance-related awards:
 - (i) the performance period; and
 - (ii) the performance condition;
- (d) the prescribed vesting periods; and
- (e) the extent to which Shares, which are the subject of that award, shall be released at the end of each prescribed vesting period.

An award letter confirming the award and specifying (*inter alia*), in relation to a performance-related award, the performance condition(s) and the performance period during which the performance condition(s) are to be satisfied, will be sent to each Participant as soon as reasonably practicable after the making of an award.

Appendix B

Special provisions for the vesting and lapsing of awards apply in certain circumstances including the following:

- (1) the termination of the employment of a Participant;
- (2) the bankruptcy of a Participant;
- (3) the misconduct of a Participant; and
- (4) a take-over, winding-up or reconstruction of the Company.

In general, upon the termination of the employment of a Participant, an award then held by such Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group. If the termination is due to certain specified reasons (for example, ill health, injury or disability or redundancy), the Committee may, in its absolute discretion, preserve all or any part of any award and decide either to vest some or all of the Shares which are the subject of the award or to preserve all or part of any award until the end of the relevant vesting period.

Upon the occurrence of any of the events specified in paragraphs (2) and (3) above, an award then held by a Participant shall immediately lapse without any claim whatsoever against the Company and/or the Group.

Upon the occurrence of any of the events specified in paragraph (4) above, the Committee will consider, at its discretion, whether or not to release any award. If the Committee decides to release any award, then in determining the number of Shares to be vested in respect of such award, the Committee will have regard to the proportion of the vesting period(s) which has elapsed.

3. Size and Duration of the SingTel Performance Share Plan

The total number of new Shares which may be issued pursuant to awards granted under the SingTel Performance Share Plan, when added to the number of new Shares issued and issuable in respect of all awards granted thereunder and all share options granted under the Singapore Telecom Share Option Scheme 1999, shall not exceed 10% of the total number of issued shares in the capital of the Company on the day preceding the relevant date of award.

The number of existing Shares purchased from the market which may be delivered pursuant to awards granted under the SingTel Performance Share Plan and the amount of cash which may be paid upon the release of such awards in lieu of Shares, will not be subject to any limit.

The SingTel Performance Share Plan shall continue in force at the discretion of the Committee, subject to a maximum period of 10 years from the date of commencement of the SingTel Performance Share Plan.

Notwithstanding the expiry or termination of the SingTel Performance Share Plan, any awards made to Participants prior to such expiry or termination will continue to remain valid.

4. Operation of the SingTel Performance Share Plan

The Company has the flexibility to deliver Shares to Participants upon vesting of their awards by way of:

- (a) an issue of new Shares; and/or
- (b) the transfer of existing Shares (including Shares held by the Company in treasury).

The Committee can also determine to make a release of an award, wholly or partly, in the form of cash rather than Shares.

New Shares allotted and issued, and existing Shares procured by the Company for transfer, on the release of an award shall rank in full for all entitlements, including dividends or other distributions declared or recommended in respect of the then existing Shares, the record date for which is on or after the relevant vesting date, and shall in all other respects rank *pari passu* with other existing Shares then in issue.

The Committee has the right to make computational adjustments to the audited results of the Company or the Group to take into account such factors as the Committee may determine to be relevant, including changes in accounting methods, taxes and extraordinary events, and the right to amend the performance condition(s) if the Committee decides that a changed performance condition would be a fairer measure of performance.

Appendix B

5. **Adjustment Events**

If a variation in the ordinary share capital of the Company (whether by way of a capitalisation of profits or reserves or rights issue, reduction, subdivision, consolidation or distribution) shall take place, then:

- (a) the class and/or number of Shares which are the subject of an award to the extent not yet vested; and/or
- (b) the class and/or number of Shares over which future awards may be granted under the SingTel Performance Share Plan,

shall be adjusted in such manner as the Committee may, in its absolute discretion, determine to be appropriate provided that the rights of a Participant will be changed to the extent necessary to comply with the rules of any stock exchange on which the Company is listed that apply at the time of the variation, including the rules that apply to a reorganisation of capital at that time.

The issue of securities as consideration for an acquisition or a private placement of securities or the cancellation of issued Shares purchased or acquired by the Company by way of a market purchase of such Shares undertaken by the Company on the SGX-ST during the period when a share purchase mandate granted by Shareholders (including any renewal of such mandate) is in force shall not normally be regarded as a circumstance requiring adjustment, unless the Committee considers an adjustment to be appropriate.

6. **Modifications or Alterations to the SingTel Performance Share Plan**

The SingTel Performance Share Plan may be modified and/or altered from time to time by a resolution of the Committee, in its absolute discretion, subject to the prior approval of such regulatory authorities as may be necessary.

However, no modification or alteration shall adversely affect the rights attached to awards granted prior to such modification or alteration except with the written consent of such number of Participants under the SingTel Performance Share Plan who, if their awards were released to them, would thereby become entitled to not less than three-quarters in number of all the Shares which would be delivered pursuant to all outstanding awards granted under the SingTel Performance Share Plan.

No alteration shall be made to particular rules of the SingTel Performance Share Plan to the advantage of the holders of awards except with the prior approval of Shareholders in general meeting.

SINGAPORE TELECOMMUNICATIONS LIMITED

(INCORPORATED IN THE REPUBLIC OF SINGAPORE)

Company Registration Number: 199201624D

NOTICE OF EXTRAORDINARY GENERAL MEETING

NOTICE IS HEREBY GIVEN that an Extraordinary General Meeting of Singapore Telecommunications Limited (the "**Company**") will be held at NTUC Auditorium, One Marina Boulevard, Level 7, NTUC Centre, Singapore 018989 on 28 July 2006 at 3.30 pm (or so soon thereafter following the conclusion or adjournment of the 14th Annual General Meeting of the Company to be held at 3.00 pm on the same day and at the same place) for the purpose of considering and, if thought fit, passing with or without modifications, the following Resolutions, of which Resolution 1 will be proposed as a Special Resolution and Resolutions 2, 3 and 4 will be proposed as Ordinary Resolutions:

Resolution 1: Special Resolution

The Proposed Alterations to the Articles of Association

THAT the Articles of Association of the Company be altered in the manner as set out in Appendix A to the Circular to Shareholders and CUFs Holders dated 28 June 2006 (the "**Circular**").

Resolution 2: Ordinary Resolution

The Proposed Renewal of the Share Purchase Mandate

THAT:

- (a) for the purposes of Sections 76C and 76E of the Companies Act, Chapter 50 (the "**Companies Act**"), the exercise by the Directors of the Company of all the powers of the Company to purchase or otherwise acquire issued ordinary shares in the capital of the Company ("**Shares**") not exceeding in aggregate the Maximum Limit (as hereafter defined), at such price or prices as may be determined by the Directors from time to time up to the Maximum Price (as hereafter defined), whether by way of:
- (i) market purchase(s) on the Singapore Exchange Securities Trading Limited ("**SGX-ST**") and/or any other stock exchange on which the Shares may for the time being be listed and quoted ("**Other Exchange**"); and/or
 - (ii) off-market purchase(s) (if effected otherwise than on the SGX-ST or, as the case may be, Other Exchange) in accordance with any equal access scheme(s) as may be determined or formulated by the Directors as they consider fit, which scheme(s) shall satisfy all the conditions prescribed by the Companies Act,

and otherwise in accordance with all other laws and regulations and rules of the SGX-ST or, as the case may be, Other Exchange as may for the time being be applicable, be and is hereby authorised and approved generally and unconditionally (the "**Share Purchase Mandate**");

- (b) unless varied or revoked by the Company in general meeting, the authority conferred on the Directors of the Company pursuant to the Share Purchase Mandate may be exercised by the Directors at any time and from time to time during the period commencing from the date of the passing of this Resolution and expiring on the earlier of:
- (i) the date on which the next Annual General Meeting of the Company is held; and
 - (ii) the date by which the next Annual General Meeting of the Company is required by law to be held;

(c) in this Resolution:

“Average Closing Price” means the average of the last dealt prices (excluding any transaction that the SGX-ST or Other Exchange (as the case may be) requires to be excluded for this purpose) of a Share for the five consecutive market days on which the Shares are transacted on the SGX-ST or, as the case may be, Other Exchange immediately preceding the date of market purchase by the Company or, as the case may be, the date of the making of the offer pursuant to the off-market purchase, and deemed to be adjusted, in accordance with the listing rules of the SGX-ST, for any corporate action which occurs after the relevant five-day period;

“date of the making of the offer” means the date on which the Company makes an offer for the purchase or acquisition of Shares from holders of Shares, stating therein the relevant terms of the equal access scheme for effecting the off-market purchase;

“Maximum Limit” means that number of issued Shares representing 10% of the total number of issued Shares as at the date of the passing of this Resolution (excluding any Shares which are held as treasury shares as at that date); and

“Maximum Price” in relation to a Share to be purchased or acquired, means the purchase price (excluding brokerage, commission, applicable goods and services tax and other related expenses) which shall not exceed:

- (i) in the case of a market purchase of a Share, 105% of the Average Closing Price of the Shares; and
- (ii) in the case of an off-market purchase of a Share pursuant to an equal access scheme, 110% of the Average Closing Price of the Shares; and

(d) the Directors of the Company and/or any of them be and are hereby authorised to complete and do all such acts and things (including executing such documents as may be required) as they and/or he may consider expedient or necessary to give effect to the transactions contemplated and/or authorised by this Resolution.

Resolution 3: Ordinary Resolution

The Proposed Approval of the SingTel Performance Share Plan for the purposes of Exception 9 in Rule 7.2 of the Listing Rules of Australian Stock Exchange Limited

THAT, pursuant to Exception 9 in Rule 7.2 of the Listing Rules of Australian Stock Exchange Limited (“ASX”), the issue of Shares under the SingTel Performance Share Plan be and is hereby approved as an exception to Rule 7.1 of the ASX Listing Rules.

Resolution 4: Ordinary Resolution

The Proposed Approval for Participation by the Relevant Person in the SingTel Performance Share Plan for the purposes of the Listing Rules of Australian Stock Exchange Limited

THAT, for the purposes of Rule 10.14 of the ASX Listing Rules, the participation by the Relevant Person in the Relevant Period specified in paragraph 5.2 of the Circular in the SingTel Performance Share Plan, on the terms as set out in that paragraph, be and is hereby approved.

By Order of the Board

Chan Su Shan (Ms)

Company Secretary
Singapore, 28 June 2006

Notes:

1. With the exception of the Central Provident Fund Board and CHESD Depository Nominees Pty Ltd (who may each appoint more than two proxies), a member entitled to attend, speak and vote at the Extraordinary General Meeting is entitled to appoint not more than two proxies to attend, speak and vote on his/her behalf. A proxy need not be a member of the Company.
2. The instrument appointing the proxy that has been executed by a member must be lodged at the registered office of the Company at 31 Exeter Road, Comcentre, Singapore 239732 (Attention: Secretariat), not less than 48 hours before the time appointed for the Extraordinary General Meeting.

The instrument appointing the proxy that has been executed by or on behalf of CHESD Depository Nominees Pty Ltd and, where relevant, by a holder of CHESD Units of Foreign Securities relating to Shares, must be lodged at the office of the Company's Australian registry, Computershare Investor Services Pty Limited, at Level 3, 60 Carrington Street, Sydney, NSW 2000, Australia or GPO Box 242, Melbourne, VIC 8060, Australia, not less than 48 hours before the time appointed for the Extraordinary General Meeting.

3. The amount of financing required for the Company to purchase or acquire its Shares, and the impact on the Company's financial position, cannot be ascertained as at the date of this Notice as these will depend on the number of Shares purchased or acquired, whether the purchase or acquisition is made out of profits or capital, the price at which such Shares were purchased or acquired and whether the Shares purchased or acquired are held in treasury or cancelled.

Based on the existing issued shares of the Company as at 30 April 2006 (the "**Latest Practicable Date**"), the purchase by the Company of 10% of its issued Shares will result in the purchase or acquisition of 1,670,436,361 Shares. In the case of market purchases by the Company and assuming that the Company purchases or acquires the 1,670,436,361 Shares at the Maximum Price of S\$2.877 for one Share (being the price equivalent to 5% above the average of the last dealt prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 1,670,436,361 Shares is S\$4,805,845,410.59. In the case of off-market purchases by the Company and assuming that the Company purchases or acquires the 1,670,436,361 Shares at the Maximum Price of S\$3.014 for one Share (being the price equivalent to 10% above the average of the last dealt prices of the Shares for the five consecutive market days on which the Shares were traded on the SGX-ST immediately preceding the Latest Practicable Date), the maximum amount of funds required for the purchase or acquisition of the 1,670,436,361 Shares is S\$5,034,695,192.05.

The financial effects of the purchase or acquisition of such Shares by the Company pursuant to the proposed Share Purchase Mandate on the audited financial statements of the Group and the Company for the financial year ended 31 March 2006 based on these assumptions are set out in paragraph 3.7 of the Company's Circular to Shareholders and CUFS Holders dated 28 June 2006.